

September 11, 2019

The Regular Meeting of the Rockingham County Board of Supervisors was held on Wednesday, September 11, 2019, at 3:00 p.m. at the Rockingham County Administration Center, Harrisonburg, Virginia. The following members were present:

- PABLO CUEVAS, Election District #1
- SALLIE WOLFE-GARRISON, Election District #2
- RICK L. CHANDLER, Election District #3
- WILLIAM B. KYGER, JR., Election District #4
- MICHAEL A. BREEDEN, Election District #5

Also present:

- STEPHEN G. KING, County Administrator
- THOMAS H. MILLER, JR., County Attorney
- CASEY B. ARMSTRONG, Assistant County Administrator
- RHONDA H. COOPER, Director of Community Development
- PATRICIA D. DAVIDSON, Director of Finance
- KIRBY W. DEAN, Director of Parks & Recreation
- ANN MARIE FREEMAN, Director of Court Services
- JENNIFER J. MONGOLD, Director of Human Resources
- TERRI M. PERRY, Director of Technology
- PHILIP S. RHODES, Director of Public Works
- BRADFORD R. R. DYJAK, Director of Planning
- KELLY S. GETZ, Deputy Zoning Administrator and Code Compliance Officer
- DIANA C. STULTZ, Zoning Administrator
- TAMELA S. GRAY, Deputy Clerk
- DONALD F. KOMARA, Residency Administrator
- Virginia Department of Transportation
- C. BURGESS LINDSEY, Assistant Residency Administrator
- Virginia Department of Transportation

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**CALL TO ORDER**  
**INVOCATION**  
**PLEDGE OF ALLEGIANCE.**

Chairman Breeden called the meeting to order at 3:00 p.m.

Supervisor Chandler provided the Invocation and County Administrator King led the Pledge of Allegiance.

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**APPROVAL OF MINUTES.**

On motion by Supervisor Chandler, seconded by Supervisor Kyger, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the minutes of the regular meeting of August 28, 2019.

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**TRANSPORTATION DEPARTMENT.**

The Board heard Mr. Komara’s report on the activities of the Transportation Department, including updates to bridge, road and rural rustic projects.

Interstate 81 paving was delayed due to Hurricane Dorian, but the southbound lane is completed with the exception of the Exit 257 ramp. The interstate project will be finished in a couple weeks, Mr. Komara said.

Alumnae Drive (Route 331) at the James Madison University farm will be completed once the curbing and a wall on the other side at the cemetery is finished.

VDOT will be shooting the driveways and adding asphalt to finish the North Whitesel Church Road (Route 681) project by the end of the month.

Mr. Komara noted the volume of trucks on Erickson Avenue (Route 726) is less than normally expected for a designated truck route. Erickson Avenue will be analyzed for an overlay next year. Mr. Komara noted the shoulders may be widened since there is a bike lane, and turn pockets may be installed.

Recent maintenance items included scratching asphalt on Mechanicsville Road (Route 614), dust control, mowing secondary roads and signing up snow removal contractors. The primary roads will be mowed again at the end of October, Mr. Komara said.

Supervisor Wolfe-Garrison asked that the Dayton area be put on the mowing schedule at the beginning of October since the Dayton Days Autumn Celebration 40<sup>th</sup> anniversary is October 5, 2019.

Supervisor Wolfe-Garrison asked if any progress was made dragging the ditches on the side of Klines Mill Road (Route 784) and Woodlands Church Road (Route 617) as they are full of water. Mr. Komara stated that the road is at its lowest point in that location and it is a challenge to eliminate the water from the ditches. Supervisor Wolfe-Garrison asked that VDOT keep these roads and drainage ditches on their list.

Supervisor Kyger asked that trees be cut along Ladybug Road (Route 749) which is a mile long with narrow spots and tight turns. He requested that VDOT obtain a traffic count and start segmenting the one-mile stretch of Ladybug Road as a rural/rustic road. Supervisor Kyger noted that a car and school bus cannot pass on Ladybug Road. Supervisor Kyger also asked that VDOT mow along Spring Creek Road (Route 613), particularly around the Village of Spring Creek.

Supervisor Kyger noted most of the parking issues along Autumn Lane (Route 709) have been resolved, but people continue to park a vehicle where it should not be, then move it and park it again. He questioned the process to put "No Parking" signs up along that stretch of road.

Supervisor Chandler reminded Mr. Komara that he requested two crossings be painted on Shen Lake Drive (Route 689) at Lakeview Golf Club where golf carts cross the road. There is currently a sign on the golf cart path with no advance warning of the crossing. He also asked that VDOT consider the possibility of reducing the speed limit to 25 miles per hour due to the limited vision of the path.

Supervisor Chandler mentioned adding a four-way stop at the intersection of Boyers Road (Route 704) and Taylor Spring Lane (Route 688). Mr. Komara noted that VDOT is currently working with the Metropolitan Planning Organization (MPO) on a speed study and considering reducing the speed limit in that area. Supervisor Chandler noted reducing the speed limit to 35 miles per hour and having a four-way stop would be beneficial.

Supervisor Chandler asked if a Board Resolution was needed to erect additional "Increased Speeding Fine" signs above the 25-mile per hour speed limit sign at each end of Port Republic and halfway down Main Street. Mr. Komara indicated he would determine if a resolution would be helpful and, if so, he will work with County Administrator King to draft one.

Chairman Breeden mentioned the amount of dust on Cemetery Road (Route 843) and Power Dam Road (Route 651). Mr. Komara noted the road has a lot of truck traffic and is on the six-year plan, with work beginning in about four years.

**CONSIDERATION – RESOLUTION FOR FISCAL YEAR 2020-2021 REVENUE SHARING.**

Director of Planning Dyjak indicated staff is pursuing two VDOT revenue sharing applications for fiscal year 2020-21, with a closing date of October 1, 2019. He requested the Board’s support for the Lake Shenandoah Watershed Culverts Project and Cross Keys Road/Port Republic Road Left Turn Lane Project. Both of these projects have been included in the Capital Improvement Program (CIP).

On motion by Supervisor Chandler, seconded by Supervisor Kyger, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board adopted the following resolution:

**RESOLUTION  
ENDORISING THE SUBMISSION OF VDOT REVENUE SHARING APPLICATIONS**

**WHEREAS**, the Board of Supervisors of Rockingham County desires to submit two applications for an allocation of funds of up to \$3,110,000.00, involving a total County contribution of \$1,555,000.00, through the Virginia Department of Transportation (VDOT) Fiscal Year 2020-21 Revenue Sharing Program; and

**WHEREAS**, \$805,000 of these funds are requested to fund **Lake Shenandoah Watershed Culvert and Crossing Improvements** along Baybrook Drive, Berryfield Drive, and Shen Lake Drive (Route 689) within existing VDOT rights-of-way: a VDOT-administered project; and

**WHEREAS**, \$750,000 of these funds are requested to fund **VA 276 Cross Keys Road at VA 253 Port Republic Road Left Turn Lanes Installation**, which is also a VDOT-administered project; and

**WHEREAS:** The Board of Supervisors of Rockingham County hereby supports these applications for a County contribution of \$1,555,000 through the Virginia Department of Transportation Fiscal Year 2020-21 Revenue Sharing Program.

**NOW THEREFORE BE IT RESOLVED**, that the Board of Supervisors of Rockingham County hereby commits to fund its local share of preliminary engineering, right-of-way and construction (as applicable) of the project(s) under agreement with the Virginia Department of Transportation in accordance with the project financial document(s).

**BE IT FURTHER RESOLVED**, that the Board of Supervisors of Rockingham County hereby grants authority for the County Administrator, or his designee, to execute all agreements and/or addendums for any approved revenue sharing projects with the Virginia Department of Transportation.

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Mr. Komara noted that both of the VDOT Revenue Sharing projects are greatly needed, and he indicated the drainage project in Barrington will need to go to contract. It would be nice to have the three projects together, but if lumped together, they will need to go to contract due to the total cost. If the County commits to all three as individual projects, VDOT may be able to accomplish some of the work internally, and the work can be completed quicker with less paperwork and expenditure.

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**INTRODUCTION OF STUDENTS.**

Students from Turner Ashby and Eastern Mennonite high schools introduced themselves to the Board.

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**CONSIDERATION – CONCURRENCE RESOLUTION FOR THE SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION.**

Gregory W. Campbell, Executive Director of the Shenandoah Valley Regional Airport (SVRA) Commission, reported that SVRA’s performance has been fantastic since securing

United/Sky West as their carrier. In calendar year 2018, there was a 150 percent increase in passengers. During the first six months in 2019, the number of passengers doubled from 2018, and the airport set record numbers during the 2019 summer traveling season. United/Sky West hopes to expand their service in the future.

Mr. Campbell requested the Board's approval of a Concurrence Resolution to provide financing for the construction of a 15,000 square-foot corporate aircraft hangar and a fuel storage facility. He noted SVRA's four aircraft hangars are full with a waiting list. In the past, the Commission has secured federal money from the Federal Aviation Administration (FAA) and state funds from the Virginia Department of Aviation to support their capital programs. Mr. Campbell noted hangars and fuel storage produce revenue and are not eligible for much funding from the FAA or Virginia Department of Aviation. Since these capital improvements will produce revenue, the debt service will be reduced over time.

Mr. Campbell noted that the airport's fuel storage facility is near the end of its useful life, and from an environmental standpoint, they need to be upgraded. The current capacity for fuel storage is currently 36,000 gallons of jet fuel and aviation gasoline. SVRA moved 600,000 gallons of aviation gasoline this year, and Mr. Campbell indicated the numbers will continue to increase.

Mr. Campbell explained that the Commission is required to obtain support from the local jurisdictions for the Concurrence Resolution, but the County will not be responsible for any of the debt and it will not affect the County's borrowing capacity.

Michael Heatwole, the County's representative on the Airport Commission, was in attendance. Supervisor Kyger thanked Mr. Heatwole for his service.

On motion by Supervisor Kyger, seconded by Supervisor Chandler, and carried by a roll call vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board adopted the following resolution:

### **RESOLUTION**

FOR THE BENEFIT OF SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION

**WHEREAS**, the Shenandoah Valley Regional Airport Commission (the "Commission") was duly established pursuant to the Code of Virginia, 1950, as amended, and by resolution and agreement of the several political subdivisions of the Commonwealth of Virginia comprising the Commission, namely the Counties of Augusta and Rockingham and the Cities of Harrisonburg, Staunton and Waynesboro (collectively, the "Member Localities"), to have and exercise, on behalf of such Member Localities, the power and authority to operate the Shenandoah Valley Regional Airport ("SVRA") located in Augusta County, Virginia; and

**WHEREAS**, the Commission has determined that it is necessary and desirable to (a) acquire, construct, and equip aircraft hangar facilities at SVRA, (b) install and/or replace all or any portion of the SVRA's fuel farm tanks, and (c) pay issuance costs in connection with the financings therefor (collectively, the "Project"); and

**WHEREAS**, the United States of America, acting through Rural Housing Service, an agency of the United States Department of Agriculture ("RHS"), has offered to purchase an up to \$3,086,500 Shenandoah Valley Regional Airport Commission Taxable Airport Revenue Bond, Series 2020 (or any other series designation as may be applicable, the "Bond") to provide the permanent financing needed by the Commission to pay all or any portion of the costs of the Project on the terms and conditions described in that certain RHS Letter of Conditions, dated September 26, 2018; and

**WHEREAS**, RHS requires interim financing for the Project and the Commission reasonably expects that long-term, permanent financing for the Project being financed by the Commission on an interim basis with the proceeds of the Note shall ultimately be provided to the Commission by RHS, together with any other lawfully available funds therefor; and

**WHEREAS**, it is reasonably anticipated that the Commission shall obtain interim financing from Blue Ridge Bank, with the long-term permanent financing for the costs of the Project provided by RHS; and

**WHEREAS**, after the holding of related public hearings on August 21, 2019, the Commission adopted resolutions authorizing the issuance, execution, and delivery of (a) the \$3,086,500 Shenandoah Valley Regional Airport Commission Taxable Airport Revenue Note, Series 2019 to Blue Ridge Bank for interim financing of the Project, and (b) the \$3,086,500 Shenandoah Valley Regional Airport Commission Taxable Airport Revenue Bond, Series 2020 (or other series designation) to RHS for permanent, long-term financing of the Project; and

**WHEREAS**, the Commission desires to obtain the approval of each of the governing bodies of its Member Localities with respect to the incurrence of indebtedness to pay the costs of the Project, subject to the Commission’s final determination of the form and details thereof (all such undertakings by the Commission to finance the Project, on an interim or permanent basis, being collectively referenced herein as the “Loans”); and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors (the “Board”) of the County of Rockingham, Virginia (the “County”), as follows:

1. The incurrence of the Loans by the Commission, as described herein, is hereby approved and authorized, to the fullest extent as may be required, if at all.

2. It is to be understood that nothing contained in this Resolution is or shall be deemed to be a debt of the County or a pledge of the faith and credit or the taxing power of the County, and nothing herein or therein shall legally bind or obligate the Board or any future Board to appropriate funds for such purposes. The long-term indebtedness of the Commission represented by the Note or the Bond (or otherwise in connection with the Project and the Loans) shall not be deemed to constitute a debt or pledge of the faith and credit of the taxing power of the County, and neither the faith and credit nor the taxing power of the County shall be pledged for the payment of the principal of, premium, if any or interest on the Note or the Bond or any other obligation of the Commission in connection with the Project or the Loans, or any other costs incident thereto.

3. The Chair, Vice Chair, and the County Administrator, any one or more of whom may act, and such officers, employees, and agents of the County as any of them may designate, are each authorized and directed to take all such further actions and to execute and deliver any and all instruments, certificates, and other documents (if any), in order to carry out the purposes hereof and in furtherance otherwise, of the financing of the Project by the Commission, as described herein.

4. This Resolution shall be effective immediately.

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Administrator King recognized the knowledge and experience of Mr. Campbell and the quality job he is doing. He noted SVRA is fortunate to have someone with Mr. Campbell’s ability, as well as his professionalism and economic development involvement.

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**STATE PERFORMANCE CONTRACT – HARRISONBURG-ROCKINGHAM COMMUNITY SERVICES BOARD.**

Ellen D. Harrison, Executive Director of the Harrisonburg-Rockingham Community Services Board (HRCSB), reported that the Fiscal Year 2020 State Performance Contract between the HRCSB and the Department of Behavioral Health and Developmental Services was reviewed by the Harrisonburg-Rockingham CSB Board of Directors on July 9, 2019. Mrs. Harrison stated there are no substantive changes in the FY20 contract (just minor changes in wording), but she anticipates changes next year.

Mrs. Harrison noted the HRCSB has operated in the community 47 years. The Virginia State Code establishes the Department of Behavioral Health and Developmental Services (their

central office) as the main state entity to support delivery of a publicly-funded system. It requires localities to establish community services boards that have the local authority to function as a single point of entry into the publicly-funded system. The central office establishes the performance contract to ensure the quality of care in the localities.

Mrs. Harrison thanked the Board for their support of a new CSB building. She indicated many employees are working from home due to the lack of space at the CSB. The CSB also has an eight percent vacancy rate for staff, which helps with space constraints but does not help in building programs and service delivery.

Mrs. Harrison noted the Medicaid expansion in January 2019 will affect the CSB’s bottom line in FY2020 with a \$25 million price tag, which the General Assembly indicated can be earned back. The CSB is trying to determine how to earn that funding back and will talk with the General Assembly in January.

The CSB achieved 100 percent implementation on same day access, primary care assessments, primary care follow-up, and outpatient therapy for children and adults. They are starting to work on mobile crisis. The CSB maintains a strong relationship with Court Services and the Commonwealth Attorney’s Office through the drug court, which has seen significant successes, with additional staff hired to work with that program.

Supervisor Kyger anticipates that the CSB will get busier as mental illness is a big national problem. He stated it is good to be proactive, noting the drug court is a good example of how being proactive can turn things around.

In response to a question from Chairman Breeden, Mrs. Harrison confirmed that Social Services refers parents who are trying to get their children back to the CSB. The CSB workers report to Social Services regarding the parents’ progress and whether they attend appointments.

Mrs. Harrison noted a roll call vote is needed to endorse the Year 2020 State Performance Contract since the FY20 budget amounts to \$13.8 million.

On motion by Supervisor Chandler, seconded by Supervisor Wolfe-Garrison, and carried by a roll call vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board endorsed the Fiscal Year 2020 State Performance Contract for the Harrisonburg-Rockingham Community Services Board.

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**TECHNOLOGY DIRECTOR’S STAFF REPORT.**

The Board received and reviewed Mrs. Perry’s staff report dated September 2019.

Mrs. Perry indicated IT has been having equipment issues due to lightning strikes.

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**COUNTY ADMINISTRATOR’S STAFF REPORT.**

The Board received and reviewed Mr. King’s staff report dated September 6, 2019.

In his staff report, Administrator King asked if there was any concern with proceeding with the Criminal Justice Planner position. Supervisor Cuevas suggested that the program, if approved, be evaluated after three years to determine its value and permit the Board of Supervisors to revisit the position. Supervisors Kyger and Chandler concurred with Supervisor Cuevas’ comments.

Administrator King agreed with evaluating the position and noted interviewees should be informed that the position will be evaluated in three years, and could be expanded or discontinued. In response to a question from Supervisor Chandler, Administrator King said the City has budgeted for the position. Since the County will serve as the fiscal agent, if the Board approves the position, the City will stand by that decision.

When Supervisor Wolfe-Garrison asked about the people who will be included in the interviews, Administrator King indicated that a City staff person, County staff, including Mrs. Freeman will conduct the interview process. He noted there are legitimate concerns about the value of the position, and stated that initially he and the City Manager will pay very close attention to the scope, responsibilities and expectations of the position. The Criminal Justice Planner will report to Mrs. Freeman on a day-to-day basis. If the position is not effective, it will be discontinued, Administrator King said.

Supervisor Kyger stated that the position should not be reviewed in less than three-years to allow time to determine what data to collect. Then it will take 18 months to gather the data and time is needed to assess the data. He anticipates the position being more than a planner. Supervisor Kyger believes if the proper data is gathered, the County and City can be proactive to keep some people from entering the system and can benefit other services that protect citizens and improve their lives.

Supervisor Chandler agreed that the position could be much bigger than originally anticipated and suggested the title for the position could be Community Criminal Justice Planner/Analyst.

The Board determined that the three-year trial period will begin the day the Planner starts working. The position will be advertised in October to allow time to hire a qualified candidate to start work in January 2020.

On motion by Supervisor Chandler, seconded by Supervisor Kyger, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board authorized hiring a Community Criminal Justice Planner/Analyst with the understanding that the position will be evaluated at the employee’s three-year anniversary.

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**ASSISTANT COUNTY ADMINISTRATOR'S STAFF REPORT.**

The Board received and reviewed Mr. Armstrong’s Economic Development & Tourism staff report.

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**FINANCE DIRECTOR’S STAFF REPORT.**

The Board received and reviewed Mrs. Davidson’s staff report dated September 11, 2019.

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**HUMAN RESOURCES DIRECTOR’S STAFF REPORT.**

The Board received and reviewed Mrs. Mongold’s staff report dated September 11, 2019.

Supervisor Kyger expressed appreciation to Mrs. Mongold for posting information regarding the VACo Pharmacy Discount Cards. He indicated if the cards are beneficial for employees, the cards could also be provided to citizens.

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**PUBLIC WORKS DIRECTOR'S STAFF REPORT.**

The Board received and reviewed Mr. Rhodes’ staff report dated September 11, 2019.

Mr. Rhodes noted that the annual Household Hazardous Waste Day will be held on October 19, 2019, from 8:00 a.m. until noon, at the landfill.

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**COMMUNITY DEVELOPMENT DIRECTOR’S STAFF REPORT.**

The Board received and reviewed Ms. Cooper’s staff report dated September 11, 2019.

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**FIRE AND RESCUE CHIEF’S STAFF REPORT.**

The Board received and reviewed Chief Holloway’s staff report dated September 2019.

Chief Holloway informed the Board that five technical rescue personnel were scheduled to go to Florida to help during Hurricane Dorian. They were notified just before their departure time not to go to Florida and later were sent to Hampton, Virginia. Chief Holloway said they did not perform any rescues in Hampton, but worked on training and preparation. Chief Holloway will submit a bill to the State to reimburse the fire stations.

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**PARKS & RECREATION DIRECTOR’S STAFF REPORT.**

The Board received and reviewed Mr. Dean’s staff report dated September 5, 2019.

Supervisor Wolfe-Garrison said citizens inquired about the aesthetically unpleasing overgrowth at the Indian Trail Road entrance to the Park at the Crossroads. Mr. Dean said County staff has been mowing, and he asked them to mow along the road last week. He noted the property further from the entrance is privately owned.

Administrator King suggested that County staff improve the appearance of the Park entrance from Indian Trail Road.

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**COURT SERVICES DIRECTOR’S STAFF REPORT.**

The Board received and reviewed Mrs. Freeman’s staff report dated September 11, 2019.

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**COMMITTEE REPORTS.**

The Board heard the following committee reports from Board members and staff:

CHAMBER OF COMMERCE

Supervisor Wolfe-Garrison said the Chamber’s membership continues to decrease.

COMMUNITY CRIMINAL JUSTICE BOARD (CCJB)

Supervisor Chandler reported that the CCJB met on September 9, 2019.

FINANCE

The following capital projects were started prior to the beginning of fiscal year 2020. Funds are available in the Capital Projects fund balance and committed to the specific projects as listed below:

Ladder Truck – Port Road Fire Station	\$ 75,000
Financial Software Project (Munis)	\$ 863,150
ECC Project	\$ 891,910
Rockingham Park	\$ 866,685
Document Imaging Project	\$ 77,600

Massanetta Springs Road	\$1,521,016
Port Road Emergency Services Station	\$5,183,917
Jail HVAC Upgrade	\$1,105,472
Crowe Drive Extension	\$ 13,798

Mrs. Davidson noted that all the funds were previously appropriated in the capital funds balance, and confirmed all the amounts transferred from one year to another were based on June 30, 2019 balance.

On behalf of the Finance Committee, on motion by Supervisor Cuevas, seconded by Supervisor Kyger, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the following Capital Projects Carryforward FY2019-2020 Supplemental Appropriation:

Supplemental Appropriation: \$10,598,548

\$ 9,285,304	GL Code: 1101-00000-15201-000-352000-000	Capital Projects: Fund Reserve
\$ 552,736	GL Code: 1101-00000-11899-000-318600-000	Capital Projects: Share of Costs Harrisonburg
\$ 760,508	GL Code: 1101-00000-12404-000-324013-000	Capital Projects: VDOT Revenue Sharing
\$10,598,548	GL Code: 1101-Various Projects	Capital Projects Fund: Various

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On behalf of the Finance Committee, on motion by Supervisor Cuevas, seconded by Supervisor Chandler, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the following FY2018-2019 Supplemental Appropriation:

**Economic Development**

The FY19 Economic Development budget is over the amount allocated for the year due to the payment of Technology Zone Grants. Revenue received in the Machinery and Tools account offset the amounts paid out for the grants.

Supplemental Appropriation: \$138,000

\$ 138,000	GL Code: 1001-00000-15201-000-352000-000	General Fund: Fund Reserve
\$ 138,000	GL Code: 1001-08102-00000-000-505890-000	Economic Development: Technology Zone Grant

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On behalf of the Finance Committee, on motion by Supervisor Cuevas, seconded by Supervisor Wolfe-Garrison, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the following FY2018-2019 Supplemental Appropriations:

**School Capital Projects Fund**

A supplemental appropriation in the amount of \$2,455,021 for expenditures related to Phase 2 of the School Construction and Renovations of John C Myers Elementary and Fulks Run Elementary. Both projects are moving faster than originally anticipated, causing expenditures to be spent more rapidly. The total project budgets for the projects are still on track.

Supplemental Appropriation: \$2,455,021

\$1,373,124	GL Code: 2103-66600-00000-211-608009-000	School Capital Projects: Fulks Run
\$1,081,897	GL Code: 2103-66600-00000-212-608009-000	School Capital Projects: John C Myers
\$2,455,021	GL Code: 2103-00000-25201-000-400091-000	School Capital Projects: Fund Reserve

## School Capital Projects Fund

This appropriation will reduce the amount allowed for expenditure in FY20 by the amount previously spent in FY19.

Supplemental Appropriation: \$2,455,021

(\$1,373,124) GL Code: 2103-66600-00000-211-608009-000 School Capital Projects: Fulks Run  
 (\$1,081,897) GL Code: 2103-66600-00000-212-608009-000 School Capital Projects: John C Myers  
 (\$2,455,021) GL Code: 2103-00000-25201-000-400091-000 School Capital Projects: Fund Reserve

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On behalf of the Finance Committee, on motion by Supervisor Cuevas, seconded by Supervisor Wolfe-Garrison, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the following FY2018-2019 Supplemental Appropriation:

## Tourism Fund

A supplemental appropriation in the amount of \$22,500 for the expenditures related to Retail Strategies research and development efforts in the County. The funding is provided by Tourism Funds received in fiscal year 2019.

Supplemental Appropriation: \$22,500

\$ 22,500 GL Code: 1212-00000-11210-000-310750-000 Tourism Fund: Local Lodging Tax  
 \$ 22,500 GL Code: 1212-08108-00000-000-503601-000 Tourism Fund: Marketing & Promotion

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On behalf of the Finance Committee, on motion by Supervisor Cuevas, seconded by Supervisor Kyger, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the following FY2018-2019 Supplemental Appropriation:

## Technology Trust Fund

A supplemental appropriation in the amount of \$231,400 from the Circuit Court Clerk's office for the Technology Trust Funds received during fiscal year 2019.

Supplemental Appropriation: \$231,400

\$ 231,400 GL Code: 1001-00000-12309-000-323820 Clerk Technology Trust Fund  
 \$ 62,000 GL Code: 1001-02106-10201-000-501300 Part-Time Wages  
 \$ 5,000 GL Code: 1001-02106-10201-000-502100 FICA  
 \$ 2,400 GL Code: 1001-02106-10201-000-503109 Other Professional Services  
 \$ 162,000 GL Code: 1001-02106-10201-000-508001 Machinery & Equipment

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On behalf of the Finance Committee, on motion by Supervisor Cuevas, seconded by Supervisor Chandler, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the following FY2019-2020 Carryforward Appropriations:

## Purchase Orders

Appropriations for purchase orders that were open at the end of fiscal year 2019 and the goods/services were not received by June 30<sup>th</sup>. The County has made a commitment to purchase the following items.

1. Atlantic Emergency Solutions	\$ 98,950	1001-03202-00000-000-508005-000
2. Baker Roofing	\$ 28,000	1001-04300-00000-000-508305-000
3. Innovative Systems	\$ 3,915	1001-04300-00000-000-508007-000
4. Capital Lighting & Supply	\$ 38,739	1001-03302-00000-000-508305-000

## **Fire and Rescue**

### **1. Burn Building**

\$50,000 for the construction of a Burn Building. The City and the County share a burn building in order to train personnel. The City received a grant from the Virginia Department of Fire Programs in the amount of \$480,000. The City and County are required to match \$50,000 each.

Carryforward Appropriation: \$50,000

\$ 50,000 GL Code: 1001-00000-15201-000-352000-000 General Fund: Fund Reserve  
 \$ 50,000 GL Code: 1001-03201-00000-000-506014-000 Fire & Rescue: Other Operating Supplies

### **2. HazMat Funds**

\$7,993 for the Hazardous Materials grant. Funds received for this program can only be spent on specific activities defined by the grant.

Carryforward Appropriation: \$7,993

\$ 7,993 GL Code: 1001-03201-10358-000-506065-000 Fire & Rescue: Hazmat  
 \$ 7,993 GL Code: 1001-00000-15201-000-352000-000 General Fund: Fund Reserve

### **3. Fire Programs Funds**

\$35,914 for the Fire Programs Funds. Funds received for this program can only be spent on specific activities defined by the program.

Carryforward Appropriation: \$35,914

\$ 35,914 GL Code: 1001-03201-10357-000-506065-000 Fire Programs: Minor Equip  
 \$ 35,914 GL Code: 1001-00000-15201-000-352000-000 General Fund: Fund Reserve

### **4. Four-For-Life Funds**

\$62,285 for Four-For-Life Funds. Funds received for this program can only be spent on specific activities defined by the program.

Carryforward Appropriation: \$62,285

\$ 62,285 GL Code: 1001-03203-00000-000-505635-000 Fire & Rescue: Four for Life  
 \$ 62,285 GL Code: 1001-00000-15201-000-352000-000 General Fund: Fund Reserve

### **5. Public Works TV Transmission Towers**

\$62,184 for the Repairs and Maintenance of the County's TV Transmission Towers.

Carryforward Appropriation: \$62,184

\$ 62,184 GL Code: 1001-04308-00000-000-503301-000 Transmission Tower: Repairs  
 \$ 62,184 GL Code: 1001-00000-15201-000-352000-000 General Fund: Fund Balance

### **6. Sheriff Vehicles**

\$59,724 to close the gap in the purchase of 12 vehicles planned for fiscal year 2020. The budget estimated the cost to be \$29,899 for each vehicle and the new state contract price is \$34,876, creating a deficit in the amount of \$59,724. The Sheriff did not spend \$35,882 of funds set aside to purchase vehicles in the Jail budget during FY19 and the remaining \$23,842 was unspent in the Sheriff's overall budget.

Carryforward Appropriation: \$59,724

\$ 59,724 GL Code: 1001-03102-00000-000-508005-000 Sheriff: Vehicles  
 \$ 59,724 GL Code: 1001-00000-15201-000-352000-000 General Fund: Fund Balance

### **7. Flooring at Plains District Community Center**

Funds to replace the flooring at Plains District Community Center. This project started after FY19. Funds are needed to be carried forward into FY20.

Carryforward Appropriation: \$40,000

\$ 40,000 GL Code: 1001-04300-00000-000-508305-000 General Property: Site Improvements  
 \$ 40,000 GL Code: 1001-00000-15201-000-352000-000 General Fund: Fund Balance

### **8. Administration Center Roof Replacement**

\$71,368 to add to the funds already appropriated in FY20 to re-roof the old section of the Administration Building. There is concern that the funds currently appropriated will not be enough to cover the total cost.

Carryforward Appropriation: \$71,368

\$ 71,368 GL Code: 1001-04300-00000-000-508305-000 General Property: Site Improvements  
 \$ 71,368 GL Code: 1001-00000-15201-000-352000-000 General Fund: Fund Balance

### **9. Landfill Cell 5A**

\$403,067 to complete the construction of Landfill Cell 5A. This project will be completed in FY20.

Carryforward Appropriation: \$403,067

\$ 403,067 GL Code: 1411-04207-00000-000-505800-000 Landfill Cell 5A  
 \$ 403,067 GL Code: 1411-00000-15201-000-352000-000 Landfill Fund: Fund Balance

### **10. McGaheysville Waterline Project**

\$400,000 for the McGaheysville Waterline Project.

Carryforward Appropriation: \$400,000

\$ 400,000 GL Code: 1401-04402-00000-000-508383-000 McGaheysville Waterline Project  
 \$ 400,000 GL Code: 1401-00000-15201-000-352000-000 Water/Sewer Fund: Fund Balance

### **11. Water/Sewer Truck**

\$48,300 for the purchase of a dual wheel truck that was ordered in FY18 and not yet received.

Carryforward Appropriation: \$48,300

\$ 48,300 GL Code: 1401-04402-00000-000-508005-000 Water/Sewer: Vehicles  
 \$ 48,300 GL Code: 1401-00000-15201-000-352000-000 Water/Sewer Fund: Fund Balance

### **12. Landfill Fencing Improvements**

\$90,000 for fencing at the Landfill. This was not started in fiscal year 2019 as anticipated due to the vacant Assistant Landfill Manager position.

Carryforward Appropriation: \$90,000

\$ 90,000 GL Code: 1410-04204-00000-000-508305-000 Site Improvements  
 \$ 90,000 GL Code: 1410-00000-15201-000-352000-000 Landfill Fund: Fund Balance

**The totals for each fund balance are as follows:**

General Fund	\$ 559,072
Landfill	\$ 493,067
<u>Water/Sewer</u>	<u>\$ 448,300</u>
Total	\$1,500,439

Supervisor Cuevas expressed appreciation to Mrs. Davidson for not rushing expenditures to meet a specific time frame, as done by many private businesses.

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**Request for Capital Improvements Program Advisory Subcommittee Appointee**

Mrs. Davidson noted that the Planning Commission approved the formation of a Capital Improvements Program Advisory Subcommittee (CIP Subcommittee), which will consist of a representative from the Board of Supervisors, the School Board and the Planning Commission, along with a few other appointed citizens. During the month of September, staff will vet potential Subcommittee members and will provide a recommendation to the Planning Commission at its meeting on Tuesday, October 1<sup>st</sup> for confirmation and adoption of the following proposed meeting schedule:

(All meetings begin at 6:00 p.m. and are held in various conference rooms at the County Administration Center)

Monday, October 7<sup>th</sup>

Tuesday, October 15<sup>th</sup>

Monday, October 21<sup>st</sup>

Monday, October 28<sup>th</sup>

Monday, November 4<sup>th</sup>

Monday, December 2<sup>nd</sup>

It is anticipated that in this first year the committee will not need to meet on all the dates listed above.

Staff recommended that the Board appoint Casey Armstrong to the Capital Improvements Program Advisory Subcommittee.

On motion by Supervisor Kyger, seconded by Supervisor Chandler, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board appointed Casey Armstrong as the Board's representative on the newly-formed Capital Improvements Program Advisory Subcommittee.

Supervisor Cuevas expressed concern about people who are not staff or members of County committees being appointed to the Capital Improvements Program Advisory Subcommittee.

Since there is a Finance Committee meeting on September 25, 2019, Mrs. Davidson offered to provide an update on the recommended committee appointees and any projects received at that point. Staff plans to make recommendations to the Planning Commission on October 1, 2019.

Mrs. Davidson explained that the newly-created Capital Improvements Program Advisory Subcommittee will be structured differently than how the Capital Improvements Program (CIP) has been addressed in the past. She indicated that State Code sets forth a guideline for the process to develop a CIP, but it is not a requirement. The guideline includes different members of the Subcommittee. The Subcommittee is driven by staff with a representative from the Board, School Board, and Planning Commission, as well as two possible citizens.

Mr. Dyjak noted that a CIP Advisory Subcommittee was created during the last Planning Commission meeting. Each of the entities Mrs. Davidson mentioned should appoint a member to the subcommittee. He noted that Community Development has an ongoing list of citizens

who have expressed interest in participating in various aspects of the planning processes, especially the pending Comprehensive Plan update process. The Planning Commission will select the community members from a broad background of interested citizens to ensure the subcommittee is comprised of people with specialties in finance and other areas that will complement the work of the Planning Commission. Mr. Dyjak indicated staff will serve in a supporting role to guide the process. The CIP Advisory Subcommittee will allow fresh sets of eyes to vet the projects and provide their expertise and recommendations.

Mr. Miller indicated the Board can exercise their statutory authority to indicate who will be on the Subcommittee, if that makes Board members more comfortable.

Supervisor Kyger stated that the CIP is a Board decision, not a Finance Committee decision. The information should be transparent to all five Board members, so they can provide comments and evaluations. Supervisor Kyger noted he continues to appreciate the Finance Committee making recommendations on active finances that have been budgeted by the Board, but stated future appropriations are the decision of all five Board members.

Supervisor Cuevas mentioned numerous times that he was not comfortable with such a Subcommittee because he does not think the groups mentioned and citizens have the knowledge and experience of the Finance Committee.

Supervisor Chandler stated it is not the responsibility of individuals preparing the Capital Improvement Plan to determine how much money should be considered or appropriated for a project. Their job is to draw up the CIP. The money aspect is not relative at the early stage; the dollar amounts can be attached later. When money is to be directed, it is important that people with experience such as the Finance Committee members are involved, he said.

Mr. Miller explained there is a connection between CIP and the Planning Commission and Planning Department. He said the reason the State Code ties the CIP to the Planning Commission is because the CIP is broad, but focused on projects in support of the Comprehensive Plan. Even though the CIP comes through the Planning Commission, no action can be taken or money spent until the Board receives recommendations from the Planning Commission. When the recommendations are received, the Board can accept them or indicate they want to study the recommendations further.

Ms. Cooper explained that the Comprehensive Plan is a critical document for the County as every public facility request goes through the approval process and the vetting of the Comprehensive Plan. Capital projects should support the Comprehensive Plan. If not, the Comprehensive Plan can be amended to provide that support. She noted three road projects on the agenda during the meeting could not progress to obtain grant funding without the CIP and Comprehensive Plan support. She noted the CIP document is not about Community Development having financial expertise. It is about Community Development having comprehensive plan expertise to tie capital projects to that plan, ensuring the capital projects are always covered in the plan, and enabling the County to obtain grant funding.

Supervisor Cuevas indicated the County Administrator and Finance Director referred two projects related to the newly-created Stormwater Authority to the Finance Committee. The expenditures were approved because the Finance Committee was informed the money advanced to meet the VDOT timetable would be reimbursed from the Lake Shenandoah Stormwater Control Authority to the general fund. He said the projects were not related to anything that came out of the Comprehensive Plan.

Ms. Cooper noted that was correct, but the Shen Lake Drive road crossing project is a standalone project that is not tied to the Stormwater Control Authority. She noted the remainder of the culvert improvements fall under the Stormwater Authority.

Chairman Breeden suggested that the CIP Advisory Subcommittee be discussed further at the September 25, 2019 Board Meeting after the Board members have had time to process the information.

Supervisor Kyger reiterated that this is a Board decision and all five Board members should be made aware of the information at the same time.

SHENANDOAH VALLEY PARTNERSHIP (SVP)

Mr. Armstrong informed the Board of a ribbon cutting ceremony on September 19, 2019, at noon for the Interchange Cold Storage project. Mr. Armstrong thinks the Governor plans to attend.

VIRGINIA ASSOCIATION OF COUNTIES (VACo) LIAISON

Supervisor Kyger announced that the VACo Region 9 meeting will be held at the Shenandoah Valley Regional Airport Passenger Terminal on September 19, 2019, from 6-8 p.m. He hopes area legislators will attend to hear legislative concerns, and representatives from Region 9 Counties will attend to discuss pertinent issues in which VACo can participate.

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**COMMITTEE APPOINTMENTS.**

On motion by Supervisor Chandler, seconded by Supervisor Kyger, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board appointed Phillip Wishon (District 3) to the Community Services Board for a term to expire June 30, 2022.

On motion by Supervisor Wolfe-Garrison, seconded by Supervisor Chandler, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board recommended Keith Hurst (District 2) for appointment by the Circuit Court to the Board of Zoning Appeals to fill an unexpired term, which will expire June 30, 2021.

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**RECESS.**

Chairman Breeden recessed the meeting for dinner at 4:59 p.m.

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**PUBLIC HEARING – CONSIDERATION OF RESOLUTION ENDORSING THE SUBMISSION OF A TRANSPORTATION ALTERNATIVES PROGRAM GRANT.**

At 6:03 p.m., Chairman Breeden opened the public hearing to consider a Resolution endorsing the submission of a Transportation Alternatives Set-Aside (TA) Program grant for the Garbers Church Road Bicycle and Buggy Lanes Project.

Mr. Dyjak noted a grant will provide 80 percent federal funding for the project, with a 20 percent match from the County. The project was included in the recent amendments to the County Capital Improvements Program as adopted by the Board on August 28, 2019.

Kim Sandum stated the addition of bicycle and buggy lanes along Garbers Church Road is a wonderful project, which has been vetted in the community and will serve a variety of users.

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Chairman Breeden closed the public hearing at 6:06 p.m.

On motion by Supervisor Wolfe-Garrison, seconded by Supervisor Chandler, and carried by a roll call vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board adopted the following resolution:

**RESOLUTION  
ENDORING THE SUBMISSION OF A TRANSPORTATION ALTERNATIVES SET-ASIDE  
PROJECT FOR THE GARBERS CHURCH ROAD BICYCLE-BUGGY LANES**

**WHEREAS**, Rockingham County, Virginia, is submitting an application to the Virginia Department of Transportation (VDOT) for Transportation Alternatives Set-Aside (TA) Program funds in the amount of \$350,000; and

**WHEREAS**, Federal funds are available under the TA Program set forth by The FAST Act, administered by the Commonwealth of Virginia, Department of Transportation, for the purpose of creating and promoting the planning and development of alternative transportation facilities and programs in Virginia; and

**WHEREAS**, in accordance with the Commonwealth Transportation Board construction allocation procedures, it is necessary that a resolution be received from the sponsoring local jurisdiction or agency requesting VDOT to establish a TA project in Rockingham County.

**NOW THEREFORE BE IT RESOLVED**, that the Board of Supervisors of Rockingham County requests the Commonwealth Transportation Board to establish a TA project for the construction of the Garbers Church Road Bicycle-Buggy Lanes.

**BE IT FURTHER RESOLVED**, that the Board of Supervisors of Rockingham County hereby agrees to provide a minimum 20 percent matching contribution for this project as required by the TA Program.

**BE IT FURTHER RESOLVED**, that the Board of Supervisors of Rockingham County hereby agrees to enter into a project administration agreement with VDOT to provide the necessary oversight that ensures the project is developed in accordance with all state and federal requirements for design, right of way acquisition, and construction of a federally funded transportation project.

**BE IT FURTHER RESOLVED**, that VDOT will be responsible for maintenance and operating costs of any facility constructed with TA Program funds.

**BE IT FURTHER RESOLVED**, that if Rockingham County subsequently elects to cancel this project, the Board of Supervisors hereby agrees to reimburse VDOT for the total amount of costs expended by VDOT through the date VDOT is notified of such cancellation, the Board of Supervisors of Rockingham County also agrees to repay any funds previously reimbursed that are later deemed ineligible by the Federal Highway Administration.

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**PUBLIC HEARING – SPECIAL USE PERMITS.**

At 6:07 p.m., Chairman Breeden opened the public hearing and Ms. Stultz reviewed the following special use permit requests:

SUP19-157 Milford Zimmerman, 5842 Runkles Gap Road, Elkton, 22827 for a small contractor’s business on property located on the northeast side of Bethel Church Road (Route 636) approximately ¼ mile east of East Point Road (Route 602), Election District #5, zoned A-1. Tax Map #114-(A)-138. Property Address: 2412 Bethel Church Road.

Ms. Stultz noted the property is owned by the Virginia A. Monger Estate and the applicant is the contract purchaser of the property.

Applicant Milford Zimmerman included four acres in the request because that is the approximate acreage of the front portion of the property. No additions or new structures are planned. Mr. Zimmerman will clean up the property, and stated his business will not disturb the neighbors.

No one spoke in opposition to the request.

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SUP19-187 Lindale Mennonite Church, PO Box 1082, Harrisonburg 22803 for a child care building on property located on the northeast side of Shaver Mill Road (Route 780) approximately 500’ south of Harpine Highway (Route 42),

Election District #2, zoned A-2. Tax Map #79-(A)-84. Property address:  
6255 Jesse Bennet Way.

Ms. Stultz indicated Community Development learned on September 9, 2019, that a zoning violation occurred on the property because a building is being constructed without zoning or building permits. Since the building is being built close to a neighbor's property line, the County requires that the distance be shot to that fence to determine if the setback is being met. When there is a violation on a property in the County, unless it is for the purpose of correcting a violation, an application will not be accepted or permit issued until the zoning violation is corrected.

In this case, the violation occurred after the application was made. To be consistent with violation procedures, staff recommends the Lindale Mennonite Church application be tabled until a building permit is issued for the storage building under construction. The applicant, Theresa Horst, was informed of that recommendation and she is agreeable.

Theresa Horst said she did not realize a building permit was required when they were constructing the storage building. She is in the process of correcting the violation.

No one spoke in opposition to the request.

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Chairman Breeden closed the public hearing at 6:15 p.m.

On behalf of Chairman Breeden, on motion by Supervisor Kyger, seconded by Supervisor Chandler, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board, with the following conditions, approved SUP 19-157, Milford Zimmerman, 5842 Runkles Gap Road, Elkton, 22827 for a small contractor's business on property located on the northeast side of Bethel Church Road (Route 636) approximately ¼ mile east of East Point Road (Route 602), Election District #5, zoned A-1. Tax Map #114-(A)-138. Property Address: 2412 Bethel Church Road.

CONDITIONS:

1. Use shall be located in substantial accordance to plot plan submitted with the application.
2. Health Department requirements shall be met regarding sewage disposal to determine if septic on property can be upgraded to serve the business or if new sewage disposal shall be required.
3. A copy of the Health Department permit shall be submitted to Community Development prior to obtaining building permits.
4. This permit is contingent upon a site plan being submitted to and approved by the County. No work shall be done on the property and no building permits shall be issued until such time as a site plan is approved.
5. All supplemental standards pertaining to small contractors business in the A-1 zoning district shall apply and shall be enforced. A copy of those standards shall be attached to the special use permit
6. Any on-premise advertising sign associated with this business shall comply with the Rockingham County Code.
7. There shall be no off-premise signs permitted unless all County and State regulations are met.
8. Parking shall comply with the Rockingham County Code

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In regard to the Lindale Mennonite Church special use permit, Supervisor Wolfe-Garrison made a motion to table the special use permit request, with the understanding that the applicant is working on obtaining a building permit. The special use permit will be removed from the table when the building permit is obtained and the zoning violation is corrected.

Supervisor Cuevas seconded the motion.

In response to a question from Supervisor Kyger, Ms. Stultz said she understands Ms. Horst is working on the violation. She indicated once the application is provided to the building plan reviewer and it meets all the building codes, the permit will be issued. Once the building permit is issued, the Board can take action on the special use permit request, Ms. Stultz said.

Ms. Stultz suggested that to move things along faster, Lindale Mennonite Church could shoot the distance to the neighboring fence so they can provide that information when they apply for the building permit. Staff will issue the building permit as quickly as possible when the requested documentation is received. Then the Board can consider the special use permit. Community Development will not require that the building be completed before the special use permit is brought back before the Board.

County Attorney Miller confirmed with Ms. Stultz that the structure being built is a storage building, not classrooms. She noted that in April someone wanted to put a modular on the property before the special use permit was approved. She noted if the building was used for something else and was later converted to a day care center, the applicant would need a special use permit and a change of use permit.

Carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board tabled SUP19-187, Lindale Mennonite Church, PO Box 1082, Harrisonburg 22803 for a child care building on property located on the northeast side of Shaver Mill Road (Route 780) approximately 500’ south of Harpine Highway (Route 42), Election District #2, zoned A-2. Tax Map #79-(A)-84. Property address: 6255 Jesse Bennet Way.

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**PUBLIC HEARING – AUTHORIZING RESOLUTIONS.**

At 6:18 p.m., Chairman Breedon opened the public hearing for the two Authorizing Resolutions:

Consideration – Authorizing Resolution to issue a Not to Exceed \$22,000,000 Virginia Public School Authority (VPSA) General Obligation School Bond to be Used to Pay for All or Any Portion of the Costs to Acquire, Construct, Reconstruct, Expand, and Equip Capital Projects for School Purposes in the County, Including but not Limited to Fulks Run Elementary and John C. Myers Elementary.

No one spoke regarding the resolution.

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Consideration – Authorizing Resolution for the County to Execute and Deliver a Local Lease Acquisition Agreement and Financing Lease, in an Amount Not to Exceed \$4,750,000, and Related Lease Documents to Virginia Resources Authority (VRA) to Provide Funds to Acquire, Construct, Reconstruct, Expand, and Equip Capital Projects for Emergency Services in the County, Including an Emergency Response Station on Port Republic Road.

No one spoke regarding the resolution.

Libby Orebaugh said she is in favor of the required resolution and hopes the County can progress with the financing since the response station is under construction.

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Chairman Breedon closed the public hearing at 6:20 p.m.

Supervisor Cuevas stated the resolutions are a formality since the projects are underway and some are almost completed.

On behalf of the Finance Committee, on motion by Supervisor Cuevas, seconded by Supervisor Chandler, and carried by a roll call a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the following Authorizing Resolution for the issuance of a not to exceed \$22,000,000 General Obligation School Bond:

**September 11, 2019**  
**Board of Supervisors of Rockingham County, Virginia**  
**VPSA Pooled Fall Sale - 2019**

**RESOLUTION AUTHORIZING THE ISSUANCE OF A NOT TO EXCEED \$22,000,000 GENERAL OBLIGATION SCHOOL BOND OF THE COUNTY OF ROCKINGHAM, VIRGINIA, TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY AND PROVIDING FOR THE FORM AND DETAILS THEREOF**

**WHEREAS**, the Board of Supervisors (the “Board”) of the County of Rockingham, Virginia (the “County”), has determined that it is necessary and expedient to borrow an amount not to exceed \$22,000,000 and to issue its general obligation school bond (as more specifically defined below, the “Bond”) for the purpose of financing certain capital projects for school purposes to pay all or any portion of costs to acquire, construct, reconstruct, expand, and equip capital projects for school purposes in the County, including but not limited to Fulks Run Elementary and John C. Myers Elementary, and payment of preliminary costs and costs of issuance in connection with such undertakings by the County (all capital projects for such purposes in the County being referenced herein as the “Project”);

**WHEREAS**, the County held a duly noticed public hearing on September 11, 2019, on the issuance of the Bond in accordance with the requirements of Section 15.2-2606, Code of Virginia 1950, as amended (the “Virginia Code”);

**WHEREAS**, the School Board of the County has, by resolution duly adopted on August 12, 2019, requested the Board to authorize the issuance of the Bond and consented to the issuance of the Bond;

**WHEREAS**, Virginia Public School Authority (“VPSA”) has offered to purchase the Bond along with the local school bonds of certain other localities with a portion of the proceeds of certain bonds to be issued by VPSA in the fall of 2019 (the “VPSA Bonds”);

**WHEREAS**, the Bond Sale Agreement (as defined below) shall indicate that up to \$21,000,000 is the amount of proceeds requested (the “Proceeds Requested”) from VPSA in connection with the sale of the Bond;

**WHEREAS**, VPSA’s objective is to pay the County a purchase price for the Bond which, in VPSA’s judgment, reflects the market value of the Bond (the “VPSA Purchase Price Objective”), taking into consideration of such factors as the amortization schedule the County has requested for the Bond relative to the amortization schedules requested by other localities, the purchase price to be received by VPSA for its bonds and other market conditions relating to the sale of the VPSA’s bonds; and

**WHEREAS**, such factors may result in the Bond having a purchase price other than par and consequently (a) the County may have to issue the Bond in a principal amount that is greater than or less than the Proceeds Requested in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested, or (b) if the maximum authorized principal amount of the Bond set forth in Section 1 below does not exceed the Proceeds Requested by at least the amount of any discount, the purchase price to be paid to the County, given the VPSA Purchase Price Objective and market conditions, will be less than the Proceeds Requested.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF ROCKINGHAM, VIRGINIA:**

1. **Authorization of Bond and Use of Proceeds.** The Board hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bond in a principal amount not to exceed \$22,000,000 (the "Bond") for the purpose of financing the Project. The Board hereby authorizes the issuance and sale of the Bond in the form and upon the terms established pursuant to this Resolution.

2. **Sale of the Bond.** The sale of the Bond to VPSA, within the parameters set forth in Section 4 of this Resolution, is authorized. Given the VPSA Purchase Price Objective and market conditions, the County acknowledges that the limitation on the maximum principal amount on the Bond set forth in Section 1 of this Resolution restricts VPSA's ability to generate the Proceeds Requested, however, the Bond may be sold for a purchase price not lower than 95% of the Proceeds Requested. The Chair or the Vice Chair of the Board, or the County Administrator, any one or more of whom may act (whether individually or collectively, "County Representative"), and such other officer or officers of the County as any of them may designate, are hereby authorized and directed to enter into an agreement with VPSA providing for the sale of the Bond to VPSA (the "Bond Sale Agreement"). The Bond Sale Agreement shall be in substantially the form submitted to the Board at this meeting, which form is hereby approved, with such completions, insertions, omissions, and changes not inconsistent with this Resolution as may be approved by the County Representative executing the Bond Sale Agreement.

3. **Details of the Bond.** The Bond shall be dated 16 days prior to the date of its issuance and delivery or such other date designated by VPSA; shall be designated "General Obligation School Bond, Series 2019"; shall bear interest from its dated date payable semi-annually on each January 15 and July 15 beginning July 15, 2020 (each an "Interest Payment Date"), at the rates established in accordance with Section 4 of this Resolution; shall mature on July 15 in the years (each a "Principal Payment Date") and in the amounts acceptable to the County Representative (the "Principal Installments"), subject to the provisions of Section 4 of this Resolution.

4. **Interest Rates and Principal Installments.** Each County Representative is hereby authorized and directed to accept the interest rates on the Bond established by VPSA, provided that each interest rate shall be five one-hundredths of one percent (0.05%) over the interest rate to be paid by VPSA for the corresponding principal payment date of the VPSA Bonds, a portion of the proceeds of which will be used to purchase the Bond, and provided further that the true interest cost of the Bond does not exceed five and fifty one-hundredths percent (5.50%) per annum. The Interest Payment Dates and the Principal Installments are subject to change at the request of VPSA. Each County Representative is hereby authorized and directed to accept changes in the Interest Payment Dates and the Principal Installments at the request of VPSA based on the final term to maturity of the VPSA Bonds, requirements imposed on VPSA by the nationally-recognized rating agencies and the final principal amount of the Bond; provided, however, that the principal amount of the Bond shall not exceed the amount authorized by this Resolution and the final maturity of the Bond shall not exceed 25 years from the date of the issuance and delivery of the Bond. The execution and delivery of the Bond as described in paragraph 8 hereof shall conclusively evidence the approval and acceptance of all of the details of the Bond by the County Representative as authorized by this Resolution.

5. **Form of the Bond.** The Bond shall be initially in the form of a single, temporary typewritten bond substantially in the form attached hereto as **Exhibit A.**

6. **Payment; Paying Agent and Bond Registrar.** The following provisions shall apply to the Bond:

(a) For as long as VPSA is the registered owner of the Bond, all payments of principal, premium, if any, and interest on the Bond shall be made in immediately available funds to VPSA at, or before 11:00 a.m. on the applicable Interest Payment Date, Principal Payment Date, or date fixed for prepayment or redemption, or if such date is not a business day for Virginia banks or for the Commonwealth of Virginia, then at or before 11:00 a.m. on the business day next succeeding such Interest Payment Date, Principal Payment Date or date fixed for prepayment or redemption.

(b) All overdue payments of principal and, to the extent permitted by law, interest shall bear interest at the applicable interest rate or rates on the Bond.

(c) U.S. Bank National Association, Richmond, Virginia, is designated as Bond Registrar and Paying Agent for the Bond. The County may, in its sole discretion, replace at any time the Bond Registrar with another qualified bank or trust company as successor Bond Registrar and Paying Agent for the Bond. The County shall give prompt notice to VPSA of the appointment of any successor Bond Registrar and Paying Agent.

7. **Prepayment or Redemption.** The Principal Installments of the Bond held by VPSA coming due on or before July 15, 2029, and the definitive bond(s) for which the Bond held by VPSA may be exchanged that mature on or before July 15, 2029, are not subject to prepayment or redemption prior to their stated maturities. The Principal Installments of the Bond held by VPSA coming due on or after July 15, 2030, and the definitive bond(s) for which the Bond held by VPSA may be exchanged that mature on or after July 15, 2030, are subject to prepayment or redemption at the option of the County prior to their stated maturities in whole or in part, on any date on or after July 15, 2029, upon payment of the prepayment or redemption prices (expressed as percentages of Principal Installments to be prepaid or the principal amount of the Bond to be redeemed) set forth below plus accrued interest to the date set for prepayment or redemption:

<b><u>Dates</u></b>	<b><u>Prices</u></b>
July 15, 2029 through July 14, 2030	101%
July 15, 2030 through July 14, 2031	100 ½ %
July 15, 2031 and thereafter	100%

Provided, however, that the Principal Installments of the Bond shall not be subject to prepayment or redemption prior to their stated maturities as described above without first obtaining the written consent of VPSA or other registered owner of the Bond. Notice of any such prepayment or redemption shall be given by the Bond Registrar to VPSA or other registered owner by registered mail not more than ninety (90) and not less than sixty (60) days before the date fixed for prepayment or redemption.

If VPSA refunds the VPSA Bonds in the future and such refunding causes the Bond to be deemed refunded, the prepayment or redemption of the Bond will be subject to VPSA approval and subject to similar prepayment or redemption provisions as set forth above that correspond to the call period of the VPSA bonds issued in part to refund the Bond.

8. **Execution of the Bond.** The Chair or Vice Chair of the Board, either of whom may act, and the Clerk or any Deputy Clerk of the Board, are authorized and directed to execute and deliver the Bond and to affix the seal of the County thereto.

9. **Pledge of Full Faith and Credit.** For the prompt payment of the principal of, premium, if any, and the interest on the Bond as the same shall become due, the full faith and credit of the County are hereby irrevocably pledged, and in each year while any portion of the Bond shall be outstanding there shall be levied and collected in accordance with law an annual *ad valorem* tax upon all taxable property in the County subject to local taxation sufficient in amount to provide for the payment of the principal of and premium, if any, and the interest on the Bond as such principal, premium, if any, and interest shall become due. Such tax shall be without limitation as to rate or amount and in addition to all other taxes authorized to be levied in the County to the extent other funds of the County are not lawfully available and appropriated for such purpose.

10. **Use of Proceeds Certificate and Tax Compliance Agreement.** The County Representative, the County Finance Director, and such other officer or officers of the County or School Board as either of them may designate are hereby authorized and directed to execute and deliver on behalf of the County a Use of Proceeds Certificate and Tax Compliance Agreement (together, the “Tax Compliance Agreement”) setting forth the expected use and investment of the proceeds of the Bond and containing such covenants as may be necessary in order to show compliance with the provisions of the Internal Revenue Code of 1986, as amended (the “Tax Code”) and applicable regulations relating to the exclusion from gross income of interest on the VPSA Bonds. The Board covenants on behalf of the County that (a) the proceeds from the issuance and sale of the Bond will be invested and expended as set forth in such Tax Compliance Agreement and that the County shall comply with the other covenants and representations contained therein and

(b) the County shall comply with the provisions of the Tax Code so that interest on the VPSA Bonds will remain excludable from gross income for federal income tax purposes.

11. **State Non-Arbitrage Program; Proceeds Agreement.** The Board hereby determines that it is in the best interests of the County to authorize and direct the County Treasurer and the County Finance Director, either or both of whom may act, to participate in the State Non-Arbitrage Program in connection with the Bond. The County Representative, the County Treasurer, the County Finance Director, and such officer or officers of the County as any of them may designate, are hereby authorized and directed to execute and deliver a Proceeds Agreement with respect to the deposit and investment of proceeds of the Bond by and among the County, the other participants in the sale of the VPSA Bonds, VPSA, the investment manager, and the depository.

12. **Continuing Disclosure Agreement.** The County Representative and such other officer or officers of the County as any of them may designate are hereby authorized and directed to execute a Continuing Disclosure Agreement, as set forth in Appendix D to the Bond Sale Agreement, setting forth the reports and notices to be filed by the County and containing such covenants as may be necessary in order to show compliance with the provisions of the Securities and Exchange Commission Rule 15c2-12, under the Securities Exchange Act of 1934, as amended, and directed to make all filings required by Section 3 of the Bond Sale Agreement should the County be determined by the VPSA to be a MOP (as defined in the Bond Sale Agreement).

13. **Refunding.** The Board hereby acknowledges that VPSA may issue refunding bonds to refund any bonds previously issued by VPSA, including the VPSA Bonds issued to purchase the Bond, and that the purpose of such refunding bonds would be to enable VPSA to pass on annual debt service savings to the local issuers, including the County. The County Representative is authorized to execute and deliver to VPSA such allonge to the Bond, revised debt service schedule, IRS Form 8038-G, or such other documents reasonably deemed necessary by VPSA and VPSA's bond counsel to be necessary to reflect and facilitate the refunding of the Bond and the allocation of the annual debt service savings to the County by VPSA. The Clerk to the Board or any Deputy Clerk is authorized to affix the County's seal on any such documents and attest or countersign the same.

14. **Reimbursement Matters.** The Board previously adopted a Resolution to Declare an Intent to Reimburse on June 27, 2018 (the "Reimbursement Resolution"), regarding the County's intent to reimburse certain expenditures in connection with the Project (the "Expenditures") with all or any portion of the proceeds of the Bond for the Expenditures with respect to the Project made no earlier than sixty (60) days prior to the adoption thereof. The Board hereby amends the Reimbursement Resolution to set forth the estimated maximum aggregate principal amount of the Bond as \$22,000,000, and hereby ratifies, approves, and confirms the Reimbursement Resolution, with such amendment.

15. **Filing of Resolution.** The appropriate officers or agents of the County are hereby authorized and directed to cause a certified copy of this Resolution to be filed with the Circuit Court of Rockingham County, Virginia.

16. **Election to Proceed under Public Finance Act.** In accordance with Section 15.2-2601 of the Virginia Code, the Board elects to issue the Bond pursuant to the provisions of the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Virginia Code.

17. **Further Actions.** The members of the Board and all officers, employees and agents of the County are hereby authorized to take such action as they or any one of them may consider necessary or desirable in connection with the issuance and sale of the Bond and otherwise in further of this Resolution, and any such action previously taken is hereby ratified and confirmed.

18. **Effective Date.** This Resolution shall take effect immediately.

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On motion by Supervisor Cuevas, seconded by Supervisor Kyger, and carried by a roll call a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the following Authorizing Resolution for the Port Road Station Project:

Board of Supervisors of Rockingham County, Virginia  
September 11, 2019  
VRA Financing (Port Road Station Project)

**AUTHORIZING RESOLUTION OF THE BOARD OF SUPERVISORS  
OF ROCKINGHAM COUNTY, VIRGINIA  
(PORT ROAD STATION PROJECT)**

**WHEREAS**, pursuant to Title 15.2 of the Code of Virginia, 1950, as amended, the County of Rockingham, Virginia (the “County”) is empowered to lease and lease finance the design, acquisition, construction, and equipping of essential governmental projects and facilities related thereto; and

**WHEREAS**, pursuant to a Facilities Agreement, dated May 23, 2018, by and between the County and Hose Company No. 4, a Virginia non-profit corporation (the “Company”), the County intends to undertake long-term financing of a portion of the capital costs to design, acquire, construct, and equip capital projects for emergency services in the County, including a new emergency response station and related facilities on Port Republic Road in the County, and payment of preliminary costs and costs of issuance in connection with such undertakings by the County (all capital projects for such purposes in the County being referenced herein as the “Project”); and

**WHEREAS**, the County has applied to Virginia Resources Authority (“VRA”) for financing assistance to provide a portion of the costs of the Project; and

**WHEREAS**, VRA has approved the County’s participation in VRA’s Virginia Pooled Financing Program, Series 2019C, and will provide such financing assistance to the County with a portion of the proceeds of the Virginia Resources Authority Infrastructure and State Moral Obligation Revenue Bonds (Virginia Pooled Financing Program), Series 2019C, in one or more series (the “VRA Bonds”), in order for the County to finance a portion of the Project, all as further described below; and

**WHEREAS**, VRA will issue the VRA Bonds and provide a portion of the proceeds thereof to the County, for the purposes described herein, pursuant to the terms of a Local Lease Acquisition Agreement and Financing Lease, dated as of September 20, 2019 (the “Financing Lease”), between the County and VRA with respect to any or all or a portion of the Company parcel(s) of Real Estate on which the Project is located and the associated Improvements and Personalty of the Company located thereon (as such capitalized terms are more particularly defined in the Financing Lease, and defined collectively herein as the “Leased Property”); and

**WHEREAS**, according to the plan of financing, the Company will lease the Leased Property to the County pursuant to a Ground Lease dated as of September 20, 2019 (the “Ground Lease”), between the Company and the County; and

**WHEREAS**, the County will lease the Leased Property to VRA pursuant to a Prime Lease dated as of September 20, 2019 (the “Prime Lease”) between the County and VRA; and

**WHEREAS**, pursuant to the terms of the Financing Lease, VRA will lease back the Leased Property to the County, and the County will make Rental Payments (as defined in the Financing Lease) corresponding in amount and timing to the debt service on the portion of the VRA Bonds issued for the Project; and

**WHEREAS**, the County intends to pay the Rental Payments as set forth in the Financing Lease out of appropriations from the County’s General Fund; and

**WHEREAS**, the County will lease back the Leased Property to the Company pursuant to a Lease Agreement dated September 20, 2019 (the “Lease Agreement”) between the County and the Company; and

**WHEREAS**, VRA will issue the VRA Bonds pursuant to a Master Indenture of Trust, dated as of December 1, 2003, as previously supplemented and amended, and as further supplemented between VRA and U.S. Bank National Association, as trustee (the “Trustee”), and

pursuant to that certain Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement, and Fixture Filing dated as of September 20, 2019 (the “Deed of Trust”), VRA will assign to the Trustee all of its right, title, and interest in and to the Prime Lease and the Financing Lease as security for the VRA Bonds; and

**WHEREAS**, all such leasing arrangements between the County, the Company, and VRA with respect to the Leased Property, shall contemplate the County and Company’s exclusive and uninterrupted use of the Leased Property for essential governmental and charitable purposes, respectively, so long as no Event of Default or Event of Non-Appropriation (both as defined in the Financing Lease) have occurred; and

**WHEREAS**, all such lease financing arrangements shall be set forth in, among other documents, (a) the Ground Lease, the Prime Lease, the Financing Lease, and the Lease Agreement and any other lease documents necessary, (b) the Deed of Trust, and (c) a Nonarbitrage Certificate and Tax Compliance Agreement (the “Tax Compliance Agreement” and collectively with the foregoing, the “Lease Documents”); and

**WHEREAS**, the County has indicated that the amount of proceeds currently being requested from VRA for a portion of the Project and related costs is \$4,460,000 (the “Proceeds Requested”), including amounts necessary to pay the costs of issuance, or such other amount requested by the County in writing and approved by VRA prior to the pricing of the VRA Bonds; and

**WHEREAS**, VRA has advised the County that VRA’s objective is to pay the County an amount which, in VRA’s judgment, reflects the market value of the Rental Payments under the Financing Lease (the “Purchase Price Objective”), taking into consideration such factors as the maximum authorized amount of the Financing Lease, the Proceeds Requested, the purchase price to be received by VRA for the VRA Bonds, the issuance costs of the VRA Bonds (consisting of the underwriters’ discount and other costs incurred by VRA (collectively, the “VRA Costs”)) and other market conditions relating to the sale of the VRA Bonds; and

**WHEREAS**, such factors may result in the County receiving an amount other than the Proceeds Requested and consequently (a) the principal amount of the Financing Lease may be greater than the Proceeds Requested in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested, or (b) if the maximum authorized amount of the Financing Lease set forth in this Resolution does not exceed the Proceeds Requested by at least the amount of the VRA Costs and any original issue discount, the amount to be paid to the County, given the VRA Purchase Price Objective and market conditions, will be less than the Proceeds Requested; and

**WHEREAS**, the Board of Supervisors of the County (the “Board”) now desires to authorize the Financing Lease, other Lease Documents, and various leasing transactions contemplated by the Lease Documents and to approve the Project in order to accomplish financing a portion of the Project for the essential governmental purposes and benefit of the County and the Company.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF ROCKINGHAM COUNTY, VIRGINIA:**

1. **Authorization of Arrangements in Connection with the Lease Documents and the Use of Proceeds thereof.** The transactions contemplated under the Lease Documents and this Authorizing Resolution shall enable the County and the Company to undertake the Project for the essential governmental purposes of the County and the charitable purposes of the Company. The Board hereby determines that it is advisable to enter into the leasing arrangements contemplated under the Lease Documents in order for the County to undertake the Project, all as described herein. To such end, the Board hereby approves and authorizes such transactions and the Lease Documents in the forms and upon the terms established pursuant to this Resolution (the “Authorizing Resolution”), and acknowledges the transactions contemplated by the Deed of Trust, as required by VRA. The proceeds from the execution and delivery of the Financing Lease shall be used by the County, along with other lawfully available funds, if any, to undertake the Project, all as contemplated under this Authorizing Resolution and further described in the Financing Lease.

2. **Execution and Delivery of Lease Documents.** It is determined to be in the best interest of the County for the County to enter into the leasing transactions described in this Authorizing Resolution and accept the offer of VRA to lease finance the Leased Property pursuant to the terms of the Financing Lease, at a price, determined by VRA to be fair and accepted by the Chair or Vice Chair of the Board, or the County Administrator (whether collectively or individually, any one or more of whom may act, the "County Representative"), and execute and deliver the Lease Documents to, or upon the order of, VRA upon payment of the lease proceeds, all upon the terms established pursuant to this Authorizing Resolution and the final Financing Lease. The County Representative is hereby authorized and directed to accept the final principal amount of the Financing Lease as advised by VRA, and as authorized by this Authorizing Resolution. The execution and delivery of the Lease Documents as described herein shall conclusively evidence such principal amount thereof and interest component thereunder as established by VRA and as having been so accepted as authorized by this Authorizing Resolution, without any further action from the County being required therefor. The Board hereby ratifies, confirms, and accepts the provisions of the VRA Term Sheet, attached hereto as **Exhibit A.**

3. **Authorization of Documentation in Connection with the Lease Documents.** The County Representative, and such officer(s) of the County as any of them may designate, are each hereby authorized and directed to execute and deliver the Lease Documents on behalf of the County, with such changes as any one or more of them shall approve, as may be requested by VRA or advised by the County Attorney or the County's bond counsel. The Clerk (or any Assistant Clerk) of the Board is authorized to affix the County Seal on any documentation in connection with the Project and the lease financing therefor, all as may be requested and to attest or counter-sign the same.

4. **Details of the Financing Lease.** The Board hereby authorizes the execution and delivery of the Financing Lease on terms as shall be determined by VRA, subject to the VRA Purchase Price Objective and market conditions described in the Recitals hereto; *provided however*, (a) the maximum principal component of rental payments associated with the Financing Lease shall not exceed the amount of **\$4,750,000**; and (b) the aggregate true interest cost of the Rental Payments shall not exceed five percent (5%) per annum, exclusive of Supplemental Interest as defined in the Financing Lease; (c) the Financing Lease shall be issued to VRA at a price not less than 98% of the principal amount of the Financing Lease; and (d) the termination date of the Financing Lease shall not be later than October 1, 2034. The actions of the County Representative in determining the final terms of the Rental Payments shall be conclusive, and no further action shall be necessary on the part of the Board.

Given the VRA Purchase Price Objective and market conditions, it may become necessary to issue the Financing Lease in an aggregate amount greater than the Proceeds Requested. If the limitation on the maximum aggregate principal amount of the Financing Lease set forth in this Section restricts VRA's ability to generate the Proceeds Requested, taking into account the VRA Costs, the VRA Purchase Price Objective and market conditions, the purchase price of the Financing Lease will result in an amount less than the Proceeds Requested. Subject to the foregoing limitations, the County authorizes VRA to establish the final principal amount of the Financing Lease, the final interest rate(s) on the Financing Lease, and the final maturity date and the final principal amortization schedule (including principal installment dates and amounts) for the Financing Lease. No further action or approval of such financing terms shall be necessary on the part of the County. The principal of and premium, if any, and interest on the Financing Lease shall be payable on the dates and in the amounts set forth in the Financing Lease.

5. **Details Regarding Form of Lease Documents.** The Lease Documents shall be in substantially the forms on file with the County Administrator, which are hereby approved with such final details, completions, omissions, insertions, and changes as may be approved by the County Representative, with the execution and delivery of the Lease Documents by the County Representative constituting conclusive evidence of the approval of any such completions, omissions, insertions, and changes.

6. **Authorization as to Additional Documentation.** The County Representative, the County Treasurer, the County Finance Director, and such other officers, employees, and agents of the County as may be requested, are each hereby authorized and directed to take all proper steps to have the Lease Documents prepared and executed in accordance with their

respective terms, and as may be advised by the County Attorney or the County's bond counsel, to deliver the same upon payment therefor, and to execute and deliver (or cause the delivery of) all such additional documents and certificates, including but not limited to the Tax Compliance Agreement regarding federal tax compliance requirements for the proceeds thereof, all as may be requested by the County Attorney or the County's bond counsel, or as otherwise required by VRA, in furtherance of the purposes as set forth herein.

7. **Redemption, Prepayment or Refunding.** The County may defease, redeem, prepay or refund the Rental Payments under the Financing Lease only in accordance with the Financing Lease or other requirements of VRA.

8. **Essentiality Matters.** The Board affirms and declares that the transactions contemplated herein constitute the financing of essential capital projects for the County's local governmental purposes and the charitable purposes of the Company, and the County anticipates that the Project will continue to be essential to the local governmental purposes of the County and the charitable purposes of the Company during and beyond the term of the Financing Lease.

Accordingly, the County hereby undertakes to appropriate such amounts as may be requested from time to time as described herein, to the fullest degree and in such manner as is consistent with the Virginia Constitution and laws of the Commonwealth of Virginia. The Board, while recognizing that it is not empowered to make any binding commitment to make such appropriations in future fiscal years, hereby states its intent to make such appropriations in future fiscal years, and hereby recommends that future Boards do likewise.

9. **Payment of Rental Payments under the Financing Lease and Related Amounts.** The County agrees to pay all amounts required by the Financing Lease, including the Rental Payments (as defined in the Financing Lease) and the "Supplemental Interest" and late charges, all as provided therein and as required by VRA in connection with the Prime Lease and the Financing Lease. Reference is hereby made to such provisions of the Financing Lease for the details of the requirements therefor.

10. **Nature of Obligations with respect to Rental Payments.** The Financing Lease shall be a lease rental obligation of the County for the pledge and payment by the County of Rental Payments to VRA for the principal of, premium, if any, and interest on the corresponding VRA Bonds, subject to the terms hereof and of the Financing Lease.

Nothing in this Authorizing Resolution, the Lease Documents, or any other documentation in connection therewith, shall constitute a general obligation debt of the County within the meaning of the Virginia Constitution or Virginia statutory law. Further, it is to be expressly understood that the obligations of the County, as set forth therein, shall not include any binding commitment to pay Rental Payments or any other moneys beyond the current fiscal year of the County, as provided by law. The County's obligations to pay the cost and expense of performing its obligations under the Lease Documents, including any documentation in connection therewith, and further including without limitation its obligation to pay all Rental Payments as described in the Financing Lease and any other payments thereunder, under all circumstances, are subject to and dependent upon appropriations being made therefor from time to time by the Board for such purposes. Nothing in this Authorizing Resolution or the Lease Documents (a) is or shall be deemed to be a lending of the credit of the County to VRA or to any other person, or (b) shall constitute a pledge of the full faith and credit of the County or the taxing power of the County or otherwise legally bind or obligate the Board to make any such appropriation(s) for the purposes described herein.

11. **Registration, Transfer and Exchange.** The Board hereby appoints the County Treasurer as its registrar and transfer agent to keep books for the registration and transfer of the Financing Lease and to make such registrations and transfers on such books under such reasonable regulations and procedures as the County may prescribe. No charge shall be made for any such exchange or transfer, but the County Treasurer may require payment of a sum sufficient to cover any tax or any other governmental charge that may be imposed in relation thereto.

12. **Official Statement.** The County authorizes and consents to the inclusion of information with respect to the County to be contained in VRA's Preliminary Official Statement and VRA's Official Statement in final form, both prepared in connection with the sale of the VRA Bonds, a portion of the proceeds of which will be used to fund the Financing Lease as

requested by the County. The County Administrator is authorized and directed to take whatever actions are necessary and/or appropriate to ensure compliance by VRA and the County, if any, with Securities and Exchange Commission Rule 15c2-12, all as may be required by VRA in connection with the issuance of the VRA Bonds and its execution and delivery of the Financing Lease and any continuing disclosure requirements thereafter, all as set forth in the Financing Lease and any other documentation in connection therewith.

13. **Tax Compliance Agreement.** The County Representative, and such officer(s) of the County as any County Representative may designate, are each hereby authorized and directed to execute the Tax Compliance Agreement and any related documentation as required by VRA and its counsel, and further, as advised by the County Attorney and the County’s bond counsel, setting forth the expected use and investment of the proceeds of the Financing Lease and containing all such covenants as may be necessary in order for the VRA Bonds to show and maintain compliance with the provisions of the Internal Revenue Code of 1986, as amended (the “Tax Code”), including the provisions of Section 141 relating to “private activity bonds” and Section 148 of the Tax Code and applicable regulations relating to “arbitrage bonds,” among others. To such end, the Board hereby covenants and agrees on behalf of the County that (a) the proceeds from the Financing Lease will be expended and invested as set forth in the Tax Compliance Agreement and that the County shall comply with the covenants and representations contained therein, and (b) the County shall comply with the provisions of the Tax Code so that interest on the VRA Bonds will remain excludible from gross income for federal income tax purposes, in accordance with law.

14. **State Non-Arbitrage Program.** The Board hereby determines that it is in the best interest of the County to authorize and direct the County Treasurer to participate in the State Non-Arbitrage Program (“Virginia SNAP”) in connection with the proceeds of the Financing Lease, and as may be required by VRA.

15. **Filing of Authorizing Resolution; Execution and Recordation of Lease Documents.** If deemed desirable or otherwise requested by VRA, the appropriate officers or agents of the County are each hereby authorized to cause a certified copy of this Authorizing Resolution to be filed with the Circuit Court of the County. The County Representative is authorized and directed to execute the Lease Documents and deliver them to the other parties thereto, and further, to cause the Lease Documents to be recorded in the Clerk's Office of the Circuit Court of the County.

16. **Further Actions; Authorized Representatives.** The County Representative, the County Treasurer, and all officers, employees, and agents of the County as may be designated, are each hereby authorized and directed to take all such further actions as any one or more of them may consider necessary or desirable in connection with the Lease Documents (including any transactions contemplated thereby). All such further actions consistent within the terms and provisions of this Authorizing Resolution shall be conclusively deemed as having been accepted and approved as authorized by this Authorizing Resolution without any further acts or approvals. All such actions previously taken in connection with this Authorizing Resolution are hereby ratified and confirmed. The persons named herein as the County Representative shall also be designated as the County's Authorized Representatives for purposes of the Financing Lease.

17. **Effective Date.** This Authorizing Resolution shall take effect immediately.

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Administrator King noted that the County will not receive the funds until early November.

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**ADJOURNMENT.**

Chairman Breeden declared the meeting adjourned at 6:22 p.m.

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Chairman