

FLUVANNA COUNTY BOARD OF SUPERVISORS
REGULAR MEETING MINUTES
Circuit Courtroom
Fluvanna Courts Building
May 19th 2010
7:00 p.m.

MEMBERS PRESENT: Gene F. Ott, Chairman
Shaun V. Kenney, Vice-Chair [arrived at 7:38 p.m.]
Mozell H. Booker
Joe Chesser
John Y. Gooch
Donald W. Weaver

ALSO PRESENT: Shelly H. Wright, Interim County Administrator
Frederick W. Payne, County Attorney
Darren Coffey, Planning Director
Bryant Phillips, Senior Planner
Steve Tugwell, Planner
Renee Hoover, Finance Director
Dwight Godwin, Parks and Recreation Director
John Robins, Public Works Engineer
Garland Nuckols, Facilities Director
Alice F. Jones, Clerk to the Board of Supervisors

CALL TO ORDER/PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

Chairman Ott called the regular meeting of May 19th 2010 to order at 7:00 p.m. in the Circuit Courtroom of the New Courts Building in Palmyra, Virginia and the Pledge of Allegiance was recited after which, Chairman Ott called for a moment of silence.

REPORTS

Mrs. Shelly H. Wright, Interim County Administrator, reported on the following topics:

1. Vicki Karabinus, Economic Development Coordinator & Joe Chesser, Supervisor, attended the Virginia Industrial Development Authorities Institute conference today [May 19th 2010]. They will be reporting on this at the June Board meeting.
2. On June 2nd, the agenda will include an item for the Board's consideration to go from two newspapers of record to one.
3. As Mr. Chesser noted in the last meeting, Louisa County has contacted us with serious concerns about the number of mutual aid calls Louisa is responding to in the County. I have had a preliminary conversation about this with the Rescue Squad leadership and they have sent me their available dates to set up a meeting with Louisa to discuss the matter further.

4. There will be a meeting of the County Finance Board and OPEB Trust Board on Wednesday, June 9th at 7:00p.m. in the Treasurer's Office.
5. VDOT has confirmed that they are ready to proceed with the Recreation Access Road project on Pleasant Grove as soon as the sewer line contractor is completely off of the site.
6. Last Thursday, Mrs. Wright announced her resignation effective June 11th.

PUBLIC COMMENTS #1

Chairman Ott opened the floor for the first round of public comments.

The following citizens addressed the Board with their concerns:

- Ms. Elizabeth Franklin, Columbia District, addressed the Board regarding water alternatives being considered by the Citizens Water Committee
- Mr. Adrian Miller, Rivanna District, addressed the Board regarding the Comprehensive Plan, the Water Plan, the Capital Improvements Plan, Broadband and Emergency communication

With no one else wishing to speak, Chairman Ott closed the first round of public comments.

CONSENT AGENDA

The following item was pulled from consent agenda:

- Funding OPEB for FY10 [the cost of funding the annual contribution is \$262,000 from the unreserved undesignated fund balance]

The following item was approved under the consent agenda:

MOTION:

Mr. Gooch moved to approve the consent agenda which consisted of:

- AFD Renewal/Stage Junction [renew for an additional ten (10) year period, removing Tax Map parcels 44-A-16A and 54-5-1A containing a total of 59.519 acres, resulting in a total district acreage of 759.934 acres]

Mr. Weaver seconded. The motion carried with a vote of 5-0. AYES: Booker, Chesser, Gooch, Weaver and Ott. NAYS: None. ABSENT: Kenney.

Funding OPEB for FY10 [the cost of funding the annual contribution is \$262,000 from the unreserved undesignated fund balance]

OPEB is the financial reporting standard issued by the Governmental Accounting Standards Board (referred to as GASB 45). The standard pertains to accounting for retiree health insurance for County and School employees.

MOTION:

Mr. Weaver moved to fund the fiscal year 2010 OPEB annual required contribution of \$262,000 using unreserved undesignated fund balance. Mr. Gooch seconded. The motion carried with a vote of 5-0. AYES:

Booker, Chesser, Gooch, Weaver and Ott. NAYS: None. ABSENT:
Kenney.

It was discussed that the increase in the 2010 calendar year tax rate is estimated to cover this cost without the need to impact the existing undesignated unreserved fund balance.

ACCOUNTS PAYABLE

None

PUBLIC HEARING

Amend County Code Section 3.1-2 to Increase the Agricultural and Forestal District Application Fee

Mr. Steve Tugwell, Planner, addressed the Board regarding this item.

Chairman Ott opened the public hearing.

With no one wishing to speak, Chairman Ott closed the public hearing.

MOTION:

Mr. Gooch moved that the Board of Supervisors approve the attached ordinance amending section 3.1-2 of the Fluvanna County Code to increase the fee for Agricultural and Forestal applications from \$100 to the State's allowable maximum of \$500 to more adequately cover the application processing costs.. Mrs. Booker seconded. The motion carried with a vote of 5-0. AYES: Booker, Chesser, Gooch, Weaver and Ott. NAYS: None. ABSENT: Kenney.

PRESENTATIONS:

Snow Damage

Mr. Garland Nuckols, Facilities Director, provided the Board with a PowerPoint presentation regarding the winter storm damage. Mr. Nuckols provided pictures pointing out all the County buildings that incurred damage along with facilities staff removing snow. Also depicted were computer equipment damaged in the basement of the Administration building and the total loss of the Pole Barn on Pleasant Grove. Mr. Nuckols indicated that the VACo Insurance recovery for damages totaled \$56,383.73.

Water Committee Update

Mr. John Robins, Public Works Director, provided the Board with a PowerPoint presentation updating the Board on Water Committee discussions. Mr. Robins provided information regarding the purpose of the committee; the process of review and evaluation; a summary of alternatives; and a proposed cost benefit analysis.

Proposed Sign Ordinance Amendments

Mr. Bryant Phillips, Senior Planner, provided the Board with a PowerPoint presentation on the proposed amendments to the Fluvanna County sign ordinance and sign definitions. Mr. Phillips explained that these amendments are intended to address some of the issues that exist with the current sign ordinance such as inconsistencies between

some of the sections of the ordinance, inadequate definitions, lack of regulations on sign heights, etc.

Pleasant Grove Western Trailhead Project

Mr. Dwight Godwin, Parks and Recreation Director, provided the Board with a PowerPoint presentation updating the Board on the Pleasant Grove Western Trailhead Project. Mr. Godwin provided the Board with the project history; the project revenue budget; the project architectural design; the preliminary construction budget; site plans; and the project options. Mr. Godwin also indicated that staff needed the Board's direction on siding options for the comfort station.

The Board concurred with staff's recommendation that the comfort station be built using clapboard (HardiPlank) siding versus brick.

ACTION MATTERS

Consideration of Resolution to Refund 2008 General Obligation Bonds

At the May 5th 2010 Board meeting, Morgan Keegan presented an opportunity to refund the 2008 General Obligation Bonds with a potential annual savings of \$195,000. Mr. Kevin Rotty and Ms. Dianne Klaiss, Morgan Keegan and Mr. Chris Kulp, Hunton and Williams, addressed the Board regarding this issue.

MOTION:

Mr. Kenney moved to adopt the resolution [attached hereto] authorizing the refunding of 2008 General Obligation School Bonds not to exceed \$68,000,000 to be sold to the Virginia Public School Authority with an interest rate not to exceed 4.5% and a net present value savings of at least 3%. Mr. Chesser seconded. The motion carried with a vote of 6-0. AYES: Booker, Chesser, Gooch, Kenney, Weaver and Ott. NAYS: None.

Municipal Software

The original estimated project cost was appropriated in the FY10 Capital Improvements budget in the amount of \$195,000. The total cost has exceeded what was appropriated by \$232,031. Staff is recommending to fund the project with unused cash currently appropriated in FY10 for CIP projects that either: 1) have no matching grant money attached; 2) will come in under budget; or 3) are deemed to be a lower priority or have insufficient funding to complete the project.

Mrs. Shelly H. Wright, Interim County Administrator, addressed the Board regarding this issue.

MOTION:

Mr. Kenney moved to award the RFP for a Municipal Software System to Tyler Technologies in the amount of \$397,426 and authorize the County Administrator to execute the contract and all necessary documents subject to County Attorney approval as to form; further moved to authorize the County Administrator to execute all transfers

necessary to provide sufficient funding for the entire project through use of cash appropriated in other CIP projects in FY10 as detailed below:

2010 CIP-Municipal Software	\$195,000
Pleasant Grove House Renovations	\$100,000
Pleasant Grove Parking	\$ 75,000
Carysbrook Gym	\$ 1,723
Pleasant Grove Basketball & Tennis Court	\$ 45,421
Library Alternative Energy	\$ 1,000
Board of Supervisors Contingency	<u>\$ 8,887</u>
	\$427,031

Mr. Gooch seconded. The motion carried with a vote of 6-0. AYES: Booker, Chesser, Gooch, Kenney, Weaver and Ott. NAYS: None.

Contract for Limited Telecommunication Tower Application Review Services

This action will allow Fluvanna County to procure a consultant for up to five (5) telecommunication tower application reviews and will allow the County to immediately address an application that has been submitted for the Fork Union area.

Mr. Darren Coffey, Planning Director, addressed the Board regarding this issue.

MOTION:

Mrs. Booker moved to authorize the Interim County Administrator to execute a contract, after County Attorney approval as to form, with CityScape Consultants, Inc. for telecommunication tower application review services not to exceed \$20,000 and to be covered by revenue from the telecommunication tower special use permit fee. Mr. Kenney seconded. The motion carried with a vote of 6-0. AYES: Booker, Chesser, Gooch, Kenney, Weaver and Ott. NAYS: None.

Request for Speed Limit Reduction on Rt. 53

At the May 5th 2010 Board meeting, Mr. Chesser requested that a letter be sent to VDOT stating the Board's desire for the speed to be reduced from 55mph to 45mph on Rt. 53 from the Albemarle County line to the intersection with Rt. 600.

Chairman Ott addressed the Board regarding this issue. It was the consensus of the Board that the letter be sent to VDOT as presented.

OLD BUSINESS

The following item was discussed under old business:

- cost of water at the Library and who was paying for the bottled water

NEW BUSINESS

The following items were discussed under new business:

- the discharge system from Tenaska

The Board **directed** staff to check into the discharge system from Tenaska.

- alternative means to bringing cash revenue into the County
- prorating of taxes

The Board **directed** staff to provide some revenue alternative recommendations. Given staffing vacancies, the Board approved delaying this directive until Administration staffing decisions had been made.

PUBLIC COMMENTS #2

Chairman Ott opened the floor for the second round of public comments.

The following citizen addressed the Board:

- Mr. Emerson Farley, Fork Union District, addressed the board regarding the proposed sign ordinance amendments and suggested waivers be instituted for certain charity events, social events, etc.

With no one else wishing to speak, Chairman Ott closed the second segment of public comments.

CLOSED MEETING

MOTION TO ENTER INTO A CLOSED MEETING:

At 9:39 p.m. Mr. Weaver moved the Fluvanna County Board of Supervisors enter into a closed meeting pursuant to the provisions of Section 2.2-3711 of the Code of Virginia, 1950, as amended, for the purpose of discussing personnel and legal matters. Mr. Chesser seconded. The motion carried by a vote of 6-0. AYES: Booker, Chesser, Gooch, Kenney, Weaver and Ott. NAYS: None.

MOTION TO EXIT A CLOSED MEETING & RECONVENE IN OPEN SESSION:

At 10:49 p.m., Mr. Weaver moved the closed meeting be adjourned and the Fluvanna County Board of Supervisors convene again in open session. Mr. Gooch seconded. The motion carried by a vote of 6-0. AYES: Booker, Chesser, Gooch, Kenney, Weaver and Ott. NAYS: None.

MOTION:

At 10:50 p.m. the following resolution was adopted by the Fluvanna County Board of Supervisors following a closed meeting held Wednesday, May 19th 2010 on motion of Mr. Weaver, seconded by Mr. Gooch and carried by the following vote: AYES: Booker, Chesser, Gooch, Kenney, Weaver and Ott. NAYS: None.

“BE IT RESOLVED to the best of my knowledge (i) only public business matters lawfully exempted from open meeting requirements under Section 2.2-3711-A of the Code of Virginia, 1950, as amended, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting.”

ADJOURN

MOTION:

At 10:51 p.m., Mr. Kenney moved to adjourn the meeting of Wednesday, May 19th 2010. Mr. Gooch seconded. The motion carried with a vote of 6-0. AYES: Booker, Chesser, Gooch, Kenney, Weaver and Ott. NAYS: None.

RESOLUTION PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION SCHOOL REFUNDING BONDS OF THE COUNTY OF FLUVANNA, VIRGINIA, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$68,000,000 TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY AND PROVIDING FOR THE FORM AND DETAILS THEREOF

WHEREAS, Fluvanna County, Virginia (the “County”), issued and sold on December 22, 2008, its \$67,525,000 General Obligation School Bonds, Series 2008A (the “2008 County Bonds”), to finance certain capital projects for school purposes, including the construction and equipping of a new high school (the “Project”);

WHEREAS, the County sold the 2008 County Bonds to the Virginia Public School Authority (“VPSA”), which purchased the 2008 County Bonds with a portion of the proceeds of VPSA’s \$67,525,000 Special Obligation School Financing Bonds, Fluvanna County Series 2008 (the “2008 VPSA Bonds”);

WHEREAS, Morgan Keegan & Company, Inc., as the County’s financial advisor (the “Financial Advisor”) has advised that the County may be able to effect debt service savings through the refunding of all or a portion of the 2008 County Bonds and the corresponding 2008 VPSA Bonds; and

WHEREAS, the Financial Advisor has recommended that the County effect such refunding by the issuance and sale of County refunding bonds to VPSA through its pooled financing program;

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

1. Issuance of Refunding Bonds; Request of VPSA. The Board hereby determines that it is advisable to contract a debt and issue and sell a series of general obligation refunding bonds (the “County Refunding Bonds”) for the purpose of refunding all or a portion of the 2008 County Bonds (such refunded portion herein referred to as the “County Refunded Bonds”) and paying the issuance costs incurred in connection with such refunding. The Board hereby requests VPSA to purchase the County Refunding Bonds and to effect a refunding of the corresponding maturities of the 2008 VPSA Bonds through the issuance by VPSA of its own refunding bonds through its pooled financing program (the “VPSA Bonds”).

2. Details of the County Refunding Bonds. (a) The County Refunding Bonds shall be issued in fully registered form, shall be dated such date as determined by the County Administrator (which term shall include any Acting or Deputy County Administrator), shall be numbered R-1 and shall be designated “General Obligation School Refunding Bonds, Series 2010” or such other designation as the County Administrator shall determine. The Board authorizes the County Administrator to sell the County Refunding Bonds to VPSA on terms as the County Administrator shall determine to be satisfactory and in the best interest of the County; *provided, however*, that the

County Refunding Bonds (i) shall not be issued in an aggregate principal amount exceeding \$68,000,000; (ii) shall not mature later than December 31, 2035; (iii) shall not have a true interest cost exceeding 4.50%; (iv) shall not be sold to VPSA at a price less than 99% of the aggregate principal amount thereof (without regard to any original issue discount allocable to the County Refunding Bonds); and (v) shall not be subject to optional prepayment or redemption at a price greater than 102% of the aggregate principal amount thereof; *and provided, further*, that the refunding of the County Refunded Bonds shall not result in a net present value debt service savings to the County of less than 3% of the amount of such County Refunded Bonds.

(b) Subject to the preceding terms, the Board further authorizes the County Administrator to conform the terms of the County Refunding Bonds in necessary respects to the terms of the corresponding VPSA Bonds, including (i) the aggregate principal amount of the County Refunding Bonds, (ii) the interest rates of the County Refunding Bonds and (iii) the amortization schedule (including principal installment dates and amounts) for the County Refunding Bonds, all in such manner as the County Administrator shall determine to be in the best interest of the County.

(c) The County Administrator is authorized to execute and deliver to VPSA a bond sale agreement (the "Bond Sale Agreement") setting forth the terms and conditions of VPSA's purchase of the County Refunding Bonds. The Bond Sale Agreement shall be similar in form to the bond sale agreement used in connection with the 2008 County Bonds, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be requested by VPSA and approved by the County Administrator. The actions of the County Administrator in determining the final terms and the purchase price of the County Refunding Bonds shall be conclusive, and no further action shall be necessary on the part of the Board.

3. Form of the County Refunding Bonds. For as long as the VPSA is the registered owner of the County Refunding Bonds, the County Refunding Bonds shall be in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officers signing the County Refunding Bonds, whose approval shall be evidenced conclusively by the execution and delivery of the County Refunding Bonds. On twenty (20) days written notice from the VPSA, the County shall deliver, at its expense, the County Refunding Bonds in marketable form in denominations of \$5,000 and whole multiples thereof, as requested by the VPSA, in exchange for the temporary typewritten bond.

4. Payment; Paying Agent and Bond Registrar. The following provisions shall apply to the County Refunding Bonds:

(a) For as long as VPSA is the registered owner of the County Refunding Bonds, all payments of principal, premium, if any, and interest on the County Refunding Bonds 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 County Refunding Bonds.

(c) Regions Bank (or any successor entity), Richmond, Virginia, is designated as bond registrar and paying agent for the County Refunding Bonds (the "Bond Registrar"). The County may replace at any time, in its sole discretion, but with written notice to VPSA, the Bond Registrar with another qualified bank or trust company as successor Bond Registrar.

5. Prepayment or Redemption. Subject to the provisions of Section 2, the County Refunding Bonds shall be subject to prepayment or optional redemption prior to their respective maturities as a whole or in part and at such times and prices as shall be determined by the County Administrator and set forth in the Bond Sale Agreement; *provided, however*, that the County Refunding Bonds 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 the registered owner of the County Refunding Bonds. Notice of any such prepayment or redemption shall be given by the Bond Registrar to the 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.

6. Execution of the County Refunding Bonds. The Chairman and Vice Chairman of the Board, either of whom may act, and the Clerk of the Board or any Deputy Clerk, either of whom may act, are authorized and directed to execute and deliver the County Refunding Bonds and to affix the seal of the County thereto.

7. Pledge of Full Faith and Credit. For the prompt payment of the principal of and premium, if any, and the interest on the County Refunding Bonds as the same shall become due, the full faith and credit of the County are hereby irrevocably pledged. In each year while any of the County Refunding Bonds 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 County Refunding Bonds as such principal, premium, if any, and interest shall become due, which 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.

8. Use of Proceeds Certificate and Non-Arbitrage Certificate. The Chairman of the Board, the County Administrator and such other officer or officers of the County as either may designate, any of whom may act, are hereby authorized and directed

to execute a Non-Arbitrage Certificate and a Use of Proceeds Certificate each setting forth the expected use and investment of the proceeds of the County Refunding Bonds 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 "Code"), and applicable regulations relating to the exclusion from gross income of interest on the County Refunding Bonds and on the VPSA Bonds. The Board covenants on behalf of the County that (i) the proceeds from the issuance and sale of the County Refunding Bonds will be invested and expended as set forth in such Non-Arbitrage Certificate and such Use of Proceeds Certificate and that the County shall comply with the other covenants and representations contained therein and (ii) the County shall comply with the provisions of the Code so that interest on the County Refunding Bonds and on the VPSA Bonds will remain excludable from gross income for Federal income tax purposes.

9. Limitation on Private Use. The County covenants that it shall not permit the proceeds of the County Refunding Bonds or the facilities refinanced with the proceeds of the County Refunding Bonds to be used in any manner that would result in (a) 5% or more of such proceeds or the facilities refinanced with such proceeds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% or more of such proceeds or the facilities refinanced with such proceeds being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the County receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the County Refunding Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the County need not comply with such covenants.

10. Redemption of County Refunded Bonds. The County Administrator is authorized and directed to determine which maturities (or portions thereof) of the 2008 County Bonds, if any, shall be refunded and constitute the County Refunded Bonds. The County Administrator is further authorized to provide the appropriate redemption notices to VPSA in accordance with the resolution and documents providing for the issuance of the 2008 County Bonds.

11. Escrow Deposit Agreement. The County Administrator is authorized to enter into an escrow agreement or refunding trust agreement (referred to herein as an "Escrow Agreement") with VPSA, if and as necessary, to provide for the redemption of the County Refunded Bonds and to enable VPSA to effect a redemption of the corresponding maturities of the 2008 VPSA Bonds. The Escrow Agreement shall be in the form approved by the County Administrator, in collaboration with the County Attorney and the County's bond counsel, his execution to constitute conclusive evidence of the County Administrator's approval of the Escrow Agreement.

12. State Non-Arbitrage Program. The Board has previously received and reviewed the Information Statement (the "Information Statement") describing the State Non-Arbitrage Program of the Commonwealth of Virginia ("SNAP") and the Contract Creating the State Non-Arbitrage Program Pool I (the "Contract"), and the Board has

determined to authorize the County Treasurer to utilize SNAP in connection with the investment of the proceeds of the County Refunding Bonds, if the County Administrator determines that the utilization of SNAP is in the best interest of the County. The Board acknowledges that the Treasury Board of the Commonwealth of Virginia is not, and shall not be, in any way liable to the County in connection with SNAP, except as otherwise provided in the Contract.

13. Continuing Disclosure Agreement. The Chairman of the Board, the County Administrator and such other officer or officers of the County as either may designate, any of whom may act, are hereby authorized and directed to execute a Continuing Disclosure 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 the Continuing Disclosure Agreement. The Continuing Disclosure Agreement shall be substantially in the form presented to this meeting, with such completions, omissions, insertions and changes that are not inconsistent with this Resolution.

14. Disclosure of County Information. The County approves the inclusion of the information (in substantially the form presented to this meeting) regarding the County and the Project in the preliminary official statement to be used in connection with the marketing of the VPSA Bonds and approves the distribution of such preliminary official statement by VPSA. The County also consents to the distribution of a final official statement (the preliminary official statement marked to include information regarding the pricing of the VPSA Bonds) by VPSA.

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 the County.

16. 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 County Refunding Bonds and any such action previously taken is hereby ratified and confirmed.

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

The undersigned Clerk of the Board of Supervisors of the County of Fluvanna, Virginia, hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the Board of Supervisors held on May 19, 2010, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing resolution, a quorum was present.

Members present at the meeting were: Gene F. Ott; Shaun V. Kenney; Mozell H. Booker; Joseph Chesser; John Y. Gooch; Donald W. Weaver

Members absent from the meeting were:
None_____

Members voting in favor of the foregoing resolution were: Gene F. Ott; Shaun V. Kenney; Mozell H. Booker; Joseph Chesser; John Y. Gooch; Donald W. Weaver

Members voting against the foregoing resolution were:
None_____

Members abstaining from voting on the foregoing resolution were:
None_____

WITNESS MY HAND and the seal of the Board of Supervisors of the County of Fluvanna, Virginia, this _20th day of May, 2010.

Clerk, Board of Supervisors of the
County of Fluvanna, Virginia

[SEAL]

EXHIBIT A
(FORM OF TEMPORARY BOND)

NO. TR-1

\$ _____

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
COUNTY OF FLUVANNA
General Obligation School Refunding Bond
Series 2010**

The **COUNTY OF FLUVANNA, VIRGINIA** (the “County”), for value received, hereby acknowledges itself indebted and promises to pay to the **VIRGINIA PUBLIC SCHOOL AUTHORITY** the principal amount of _____ DOLLARS (\$_____), in annual installments in the amounts set forth on Schedule I attached hereto payable on _____, _____, and annually on _____ thereafter to and including _____, _____ (each a “Principal Payment Date”), together with interest from the date of this Bond on the unpaid installments, payable semi-annually on January 15 and July 15 of each year, commencing on _____, _____ (each an “Interest Payment Date”; together with any Principal Payment Date, a “Payment Date”), at the rates per annum set forth on Schedule I attached hereto, subject to prepayment or redemption as hereinafter provided. Both principal of and interest on this Bond are payable in lawful money of the United States of America.

For as long as the Virginia Public School Authority is the registered owner of this Bond, Regions Bank (or any successor entity), Richmond, Virginia, or any successor appointed by the County, as bond registrar and paying agent (the “Bond Registrar”), shall make all payments of principal of and premium, if any, and interest on this Bond, without the presentation or surrender hereof, to the Virginia Public School Authority, in immediately available funds at or before 11:00 a.m. on the applicable Payment Date or date fixed for prepayment or redemption. If a Payment Date or date fixed for prepayment or redemption is not a business day for banks in the

Commonwealth of Virginia or for the Commonwealth of Virginia, then the payment of principal, premium, if any, or interest on this Bond shall be made in immediately available funds at or before 11:00 a.m. on the business day next succeeding the scheduled Payment Date or date fixed for prepayment or redemption. Upon receipt by the registered owner of this Bond of said payments of principal, premium, if any, and interest, written acknowledgment of the receipt thereof shall be given promptly to the Bond Registrar, and the County shall be fully discharged of its obligation on this Bond to the extent of the payment so made. Upon final payment, this Bond shall be surrendered to the Bond Registrar for cancellation.

The full faith and credit of the County are irrevocably pledged for the payment of the principal of and the premium, if any, and interest on this Bond. The resolution adopted by the County Board of Supervisors providing for the issuance of the Bonds provides, and Section 15.2-2624, Code of Virginia 1950, as amended, requires, that there shall be levied and collected an annual tax upon all taxable property in the County subject to local taxation sufficient to provide for the payment of the principal of and premium, if any, and interest on this Bond as the same shall become due which tax shall be without limitation as to rate or amount and shall be 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.

This Bond is duly authorized and issued in compliance with and pursuant to the Constitution and laws of the Commonwealth of Virginia, including the Public Finance Act of 1991, Chapter 26, Title 15.2, Code of Virginia 1950, as amended, and a resolution duly adopted by the County Board of Supervisors to refund a portion of the County's General Obligation School Bonds, Series 2008, and to pay costs incurred in issuing this Bond and refunding such outstanding bonds.

This Bond may be exchanged without cost[, on twenty (20) days written notice from the Virginia Public School Authority,] at the office of the Bond Registrar on one or more occasions for one or more temporary bonds or definitive bonds in marketable form and, in any case, in fully registered form, in denominations of \$5,000 and whole multiples thereof, and having an equal aggregate principal amount, having principal installments or maturities and bearing interest at rates corresponding to the maturities of and the interest rates on the installments of principal of this Bond then unpaid. This Bond is registered in the name of the Virginia Public School Authority on the books of the County kept by the Bond Registrar, and the transfer of this Bond may be effected by the registered owner of this Bond only upon due execution of an assignment by such registered owner. Upon receipt of such assignment and the surrender of this Bond, the Bond Registrar shall exchange this Bond for definitive Bonds as hereinabove provided, such definitive Bonds to be registered on such registration books in the name of the assignee or assignees named in such assignment.

The principal installments of this Bond coming due on or before _____, _____, and the definitive Bonds for which this Bond may be exchanged that mature on or before _____, _____, are not subject to prepayment or redemption prior to their stated maturities. The principal installments of this Bond coming due after _____, _____, and the definitive Bonds for which this Bond may be exchanged that mature after _____, _____, 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 _____, _____, upon payment of the prepayment or redemption prices (expressed as percentages of principal installments to be prepaid or the principal amount of the Bonds to be redeemed) set forth below plus accrued interest to the date set for prepayment or redemption:

Dates

Prices

Provided, however, that the Bonds shall not be subject to prepayment or redemption prior to their stated maturities as described above without the prior written consent of the registered owner of the Bonds. Notice of any such prepayment or redemption shall be given by the Bond Registrar to the 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.

All acts, conditions and things required by the Constitution and laws of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in due time, form and manner as so required, and this Bond, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and laws of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Fluvanna has caused this Bond to be issued in the name of the County of Fluvanna, Virginia, to be signed by its Chairman or Vice-Chairman, its seal to be affixed hereto and attested by the signature of its Clerk or any of its Deputy Clerks, and this Bond to be dated _____, 2010.

COUNTY OF FLUVANNA, VIRGINIA

(SEAL)

ATTEST:

Clerk, Board of Supervisors of the
County of Fluvanna, Virginia

Chairman, Board of Supervisors of the
County of Fluvanna, Virginia

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

the within Bond and irrevocably constitutes and appoints

_____ attorney to exchange said Bond for definitive bonds in lieu of which this Bond is issued and to register the transfer of such definitive bonds on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed:

(NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Bond Registrar which requirements will include Membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Bond Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Registered Owner
(NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration or change.)

SCHEDULE I

[Amortization schedule to be completed after pricing]