

**VIRGINIA:** At a regular meeting of the Board of Supervisors of the County of Patrick, held at the Patrick County Veterans' Memorial Building on Monday, June 23, 2008 at 6:00 p.m.

**PRESENT:** Jonathan Large, Chairman, Ron Knight, Vice – Chairman  
Karl Weiss, Crystal P. Harris and Lock Boyce, Board Members;

**STAFF PRESENT:** Jay Scudder, County Administrator; Tom Rose, Assistant County Administrator; Alan Black, County Attorney; and Geri Hazelwood, Assistant to the County Administrator.

The Chairman called the meeting to order.

Mr. Jeremiah Clements gave the invocation.

The Board recited the Pledge of Allegiance to the Flag, followed by a Moment of Silence in honor of past and present U. S. military personnel serving domestically and abroad.

On motion by Lock Boyce seconded by Ron Knight and carried unanimously, the agenda for the meeting was approved.

**Voting Aye:** Harris, Weiss, Boyce, Knight and Large

**Voting Nay:** None

On motion by Lock Boyce seconded by Karl Weiss and carried unanimously, the minutes for the June 9, 2008 meeting were approved.

**Voting Aye:** Harris, Weiss, Boyce, Knight, and Large

**Voting Nay:** None

**Public Comment Period:**

The Chairman opened the public comment period.

Mr. Freddie Hiatt addressed the Board with concerns about using space at the hospital as a daycare center.

The Chairman closed the public comment period.

## Reports

Mr. Steve Allen, EMC presented the Board with updated information from the Patrick County EMS Taskforce Committee on soft billing. There was discussion among members of the Board as well as the audience concerning centralized billing for the rescue squads. The Board took no action.

Mr. Jay Scudder, County Administrator gave a report to the Board concerning VDOT acquisition for two areas (Rye Cove Rd. & Buena Vista).

Mr. Black stated that we would need to reserve access to the highway on the backside of the property.

Sheriff Smith asked that the Board submit a Resolution requesting that the Board of Corrections approve the submitted Community Based Needs Assessment.

Mr. Paul Jacobson, Sands Anderson & Mr. David Rose, Sr. Vice – President, Davenport, stated that the county's strong investment grade "A +" from Standard and Poor's and, an A3 rating from Moody's put the county in strong financial position. The immediate impact of the strong ratings was the change in the language of the bond resolution from " not to exceed \$27 million to " not exceed \$25 million.

On motion by Lock Boyce seconded by Karl Weiss and carried unanimously the Board approves to pass the resolution authorizing the sale of up to \$25 million in bonds for the school renovation project.

### **RESOLUTION OF THE BOARD OF SUPERVISORS OF PATRICK COUNTY, VIRGINIA**

**WHEREAS**, the Board of Supervisors (**the "Board"**) of Patrick County, Virginia (**the "County"**), deems it to be in the best interests of the County to provide for the design, acquisition, construction, renovation, expansion and equipping of Patrick County public school facilities, including Patrick County High School, Blue Ridge Elementary School, Hardin Reynolds

Elementary School, Meadows of Dan Elementary School, Patrick Springs Primary School, Stuart Elementary School and Woolwine Elementary School (**together, the “Project”**); and

**WHEREAS**, the real estate on which Patrick County High School, Patrick Springs Primary School and Stuart Elementary School are located is owned by the Patrick County School Board (**the “School Board”**), and the School Board proposes to groundlease its interests in such real estate and improvements thereon and such other real estate and improvements, if any, to be included as collateral for the financing described below (**the “Leased Property”**) to the Economic Development Authority of Patrick County, Virginia, a political subdivision of the Commonwealth of Virginia (**the “Authority”**), all in order to provide security for the purchasers of the Authority’s obligations issued to finance the Project; and the School Board proposes to design, construct, renovate, improve, equip and furnish the Project; and

**WHEREAS**, the Leased Property is intended to be leased by the Authority to the County for the use of the School Board for public school purposes, pursuant to a Financing Lease, as defined below, between the Authority and the County; and

**WHEREAS**, the Authority, upon request of the County, intends to finance costs of the design, construction, renovation, improvement, equipping and furnishing of the Project through a program of lease revenue bond financing, whereby the Authority will issue its not to exceed \$25,000,000 Lease Revenue Bonds, Series 2008 (**the “Bonds”**), to (a) pay a portion of the costs of designing, constructing, renovating, improving, equipping and furnishing of the Project, (b) fund interest payable on the Bonds, (c) fund a debt service reserve fund for the Bonds and (d) provide for the payment of issuance costs of the Bonds; and

**WHEREAS**, the rent and other payments to be made to the Authority by the County pursuant to the Financing Lease are structured to be sufficient to pay the obligations of the Authority with respect to the Bonds and will be pledged and assigned by the Authority, together with its other rights under the Financing Lease, as security for the Bonds, all as further described in the below-defined Indenture; and

**WHEREAS**, the rent and other payments to be made to the Authority by the County pursuant to the Financing Lease will be payable solely from funds appropriated therefore by the Board from time to time and not under any circumstances constitute a pledge of the full faith and credit or taxing power of the County; and

**WHEREAS**, there have been presented at this meeting the forms of the following instruments (**the “County Financing Documents”**) in connection with the plan of financing:

1. Ground Lease, dated as of July 1, 2008 (**the “Ground Lease”**), among the School Board, the County and the Authority, relating to the Leased Property;
2. Indenture of Trust between the Authority and U.S. Bank National Association, as Trustee (**the “Trustee”**), and approved by the County, relating to the issuance of the Bonds (**the “Indenture”**);
3. Financing Lease, dated as of July 1, 2008 (**the “Financing Lease”**), between the Authority and the County;

4. Assignment of Rents and Leases, dated as of July 1, 2008, between the Authority and the Trustee, which is to be acknowledged and consented to by the County and the School Board (**the “Assignment”**);
5. Option Agreement, dated as of July 1, 2008, between and among the Authority, the County and the School Board relating to the Leased Property (**the “Option”**).

**WHEREAS**, there has been presented at this meeting a copy of the Preliminary Official Statement (**the “Preliminary Official Statement”**) relating to the public offering of the Bonds that has been prepared in connection with issuance and sale of the Bonds by the Authority and the County and a form of Bond Purchase Agreement to be entered into between the Authority and Davenport & Company, LLC, as underwriter and the initial purchaser of the Bonds (**the “Underwriter”**), and agreed to by the County (**the “Bond Purchase Agreement”**).

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

1. The issuance and sale of the Bonds, pursuant to and upon the terms and conditions set forth herein and in the Indenture and the Bond Purchase Agreement, and the financing of the Project and leasing of the Leased Property for the benefit of the County are hereby approved and authorized.
2. The County Financing Documents shall be in substantially the forms submitted to this meeting, which are hereby approved and consented to, as appropriate, with such completions, omissions, insertions and changes as may be approved by the Chairman or the Vice Chairman of the Board (**together, the “Chairman”**), the County Administrator, the Assistant County Administrator or the other officers executing them, their execution to constitute conclusive evidence of his or her approval of any such completions, omissions, insertions and changes.
3. The Chairman or the County Administrator and all other appropriate officers of the County are each hereby authorized and directed to execute the County Financing Documents and to deliver the County Financing Documents to the other parties thereto and to execute all certificates and documents, including but not limited to a federal tax compliance certificate and agreement relating to the tax-exempt status of the interest on the Bonds and a continuing disclosure agreement relating to compliance with the below-described Rule, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the financing and leasing of the Project.
4. The Preliminary Official Statement in the form presented to this meeting is approved with respect to the information contained therein pertaining to the County. The Underwriter is authorized to distribute to prospective purchasers of the Bonds the Preliminary Official Statement in form deemed to be “near final,” within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (**the “Rule”**), with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the County Administrator or the Assistant County Administrator. Such distribution shall constitute conclusive evidence that the County has deemed the Preliminary Official Statement to be final as of its date within the meaning of the Rule, with respect to the information therein pertaining to the County. The County Administrator and the Assistant County Administrator are each authorized and directed to approve such completions, omissions, insertions and other changes to

the Preliminary Official Statement that are necessary to reflect the terms of the sale of the Bonds, determined as set forth in paragraph 5, and the details thereof and that are appropriate to complete it as an official statement in final form (**the “Official Statement”**) and distribution thereof by the Underwriter shall constitute conclusive evidence that the County has deemed the Official Statement final as of its date within the meaning of the Rule, with respect to the information contained therein pertaining to the County.

5. The County Administrator and the Assistant County Administrator are each authorized and directed to enter into the Bond Purchase Agreement containing the terms upon which and the price or prices at which the Bonds shall be sold to the Underwriter, which terms and prices shall be established by the County Administrator or the Assistant County Administrator, upon negotiation with the Underwriter and not inconsistent with the provisions of this Resolution. The Bonds shall mature not later than December 31, 2039, with such shorter maturities and sinking fund and optional redemption provisions as the officers of the County approving such terms shall deem appropriate (but any redemption premium shall not exceed two percent (2%)), and shall be sold initially at an underwriting discount not greater than two percent (2.0%) of the face amount of the Bonds (exclusive of original issue discount) plus interest accrued thereon to the date of issuance of the Bonds, in any case so as to produce an annual true interest cost of the Bonds of not to exceed 6.50% (taking into account any original issue discount).
6. To provide additional credit enhancement of the Bonds and to achieve additional financing economies for the County, the Chairman and other County officers are hereby authorized to agree to municipal bond insurance proposals, which if executed, are hereby approved, and the Chairman, the County Administrator and the Assistant County Administrator are each authorized to enter into such instruments and agreements, and to make such changes to the County Financing Documents, as shall be necessary or desirable to obtain such municipal bond insurance. The Board also authorizes the Chairman and other County officers, if deemed in the County's best interests, to obtain a rating from national rating agencies and to obtain a surety bond for deposit in the Debt Service Reserve Fund under the Indenture, in lieu of funding such Debt Service Reserve Fund from proceeds of the Bonds.
7. Officers of the County are authorized and directed to execute, deliver and file the Ground Lease, the Financing Lease, the Assignment, the Option Agreement and all necessary certificates and documents and to approve the terms of the Indenture and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the undertaking and financing of the Project. The Chairman, the County Administrator, the Assistant County Administrator, County Attorney, County Treasurer and all other officers of the County are hereby authorized and directed to work with representatives of the Authority, bond counsel (Sands Anderson Marks & Miller, P.C.), the Underwriter and counsel to the Underwriter to perform all services and prepare all documentation necessary to bring the Bonds to market.
8. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.
9. The Project is hereby declared to be essential to the educational and administrative needs of the County and the efficient operation of the public school system in the County, and the Board anticipates that the Project will continue to be essential to the educational and administrative

needs of the County and the efficient operation of the public school system in the County during the term of the Financing Lease.

10. The County represents and covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (**the “Code”**) or otherwise cause the interest on the Bonds to be includable in gross income for Federal income tax purposes under existing law. Without limiting the generality of the foregoing, the County shall comply with any provision of law that may require the Authority or the County at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds from the sale of the Bonds.
11. The Board hereby determines that it is in the best interests of the County to authorize and direct the County Treasurer to participate in the State Non-Arbitrage Program in connection with the Bonds. The Chairman, the County Administrator, the Assistant County Administrator, the County Treasurer and such officer or officers of the County as any of them may designate are hereby authorized and directed to execute and deliver any registration or other documents for the County to participate in the State Non-Arbitrage Program in connection with the Bonds.
12. Nothing in this Resolution, the Bonds, the County Financing Documents or the Bond Purchase Agreement shall constitute a debt or a pledge of the faith and credit of the Authority or the County, and the Authority shall not be obligated to make any payments under the Bonds or the Documents except from payments made by or on behalf of the County under the Financing Lease pursuant to annual appropriation thereof in accordance with applicable law. The Board of Supervisors, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, hereby states its intent to make annual appropriations in future fiscal years in amounts sufficient to make all payments under the Financing Lease and hereby recommends that future Boards of Supervisors do likewise during the term of this Agreement.
13. All other acts of the officers of the County that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds and the undertaking and financing of the Project are ratified and approved.
14. This Resolution shall take effect immediately.

PASSED AND ADOPTED this 23rd day of June 2008.

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Chairman

ATTEST:

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Clerk

## **Hospice Resolution**

### RESOLUTION PATRICK COUNTY BOARD OF SUPERVISORS

Whereas, in August of 1995, Hospice of Patrick County was opened as a service of R.J. Reynolds Patrick County Memorial Hospital to provide professional support and quality care for persons in the last phase of living in the Patrick County community;

And whereas, upon being established, Hospice of Patrick County achieved accreditation and became licensed by the Virginia Department of Health and maintains memberships in the Virginia Association of Hospice and National Hospice and Palliative Care Organization;

And whereas, the Hospice of Patrick County provides a community oriented close to home service to friends and neighbors at a sensitive time in providing a highly specialized care to the terminally ill;

Now, therefore be it RESOLVED, this 23<sup>th</sup> day of June 2008, that the Board of Supervisors, on behalf of Patrick County and its citizens, recognizes and thanks R.J. Reynolds Memorial Hospital, Hospice of Patrick County and its staff and countless volunteers for their exemplary contribution to providing this invaluable health care need in Patrick County and the surrounding area.

### **Approval: Bills Claims and Appropriations**

**On motion by Lock Boyce and seconded by Ron Knight and passed unanimously, the Board approved County General Claims as presented this day and as evidenced by check numbers#29682-29857,89982-90126.**

### **Consent Agenda**

#### Board Appointment

The TAC recommends Mary Jo Leet to serve on the Crooked Road Executive Board .

**On motion by Lock Boyce seconded by Crystal P. Harris and carried unanimously the Board appoints Mary Jo Leet to serve on the Crooked Road Executive Board.**

The Economic Development Authority has voted to appoint Leslie Shelor to replace Carolyn Beale as the Chamber of Commerce Liaison.

**On motion by Lock Boyce seconded by Crystal P. Harris and carried unanimously the Board appoints Leslie Shelor to replace Carolyn Beale as the Chamber of Commerce Liaison.**

Social Services

The Patrick County Social Services would like to request a contribution from the Board in the amount of \$500.00 to help cover the costs of the Senior Health Fair.

**The Board tabled until next meeting July 14, 2008.**

Virginia Cooperative Extension Office

The Patrick County Extension Office would like to use the money in their budget to repaint the office. The cost estimate for this project is \$2500.00

**On motion by Karl Weiss seconded by Lock Boyce and carried unanimously the Board approved the request to use money from their budget to repaint their office.**

Economic Development

Economic Development has unused funds and they request that \$25,000 of these funds be put in the EDA-IDA account.

**On motion by Lock Boyce seconded by Karl Weiss and carried unanimously the Board approved the request from Economic Development to put unused funds in the amount of \$25, 000.00 into the EDA-IDA account.**

**Board of Corrections – Resolution**

**On motion by Lock Boyce seconded by Ron Knight and carried unanimously the Board approved the submission of a Community Based Needs Assessment required by the Standards for the construction of the Patrick County Jail Facility.**



**COUNTY OF PATRICK**  
*Office of the County Administrator*

WHEREAS, 6VAC15-80-70, "Standards for Planning, Design, Construction, and Reimbursement of Local Correctional Facilities", 1994, (the Standards), Section B4 requires that a resolution be submitted to the Board of Corrections requesting approval of the Community Based Needs Assessment and funding for reimbursement for eligible construction expenses; and

WHEREAS, Patrick County has submitted a Community Based Needs Assessment required by the Standards for the construction of the Patrick County Jail Facility; and

WHEREAS, the County is eligible for reimbursement of eligible construction costs pursuant to Section 53.1-81 of the Code of Virginia (1950) as amended; and

NOW THEREFORE, BE IT RESOLVED THAT THE PATRICK COUNTY BOARD OF SUPERVISORS requests that the Board of Corrections approve the submitted Community Based Needs Assessment and funding for reimbursement of all eligible costs relative to the construction of a jail serving Patrick County pursuant to Section 53.1-81 of the Code of Virginia (1950), as amended.

Chairman

Regional/Local Jail (Board / Authority)

2123 Box 406 • 110 Hickory Street • Stuart, Virginia 22170  
Telephone (256) 688-6696 • Fax (252) 694-2500  
<http://www.co.patrick.va.us>

**Executive Session**

**On motion by Karl Weiss, seconded by Lock Boyce, the Board convened into Executive Session to discuss personnel matters [Section 2.2-3711(A)(1), 1950 Code of Virginia, as amended] legal matters [Section 2.2 – 3711(A)(7) and contract matters [Section 2.2 – 3711 (A)(30).**

**Roll Call Vote:**

**Knight: yes**

**Harris: yes**

**Weiss: yes**

**Boyce: yes**

**Large: yes**

**WHEREAS, the Patrick County Board of Supervisors has convened an executive meeting on this date pursuant to an affirmative recorded vote and in accordance with provisions of the Virginia Freedom of Information Act, and**

**WHEREAS, Section 2.1-344.1 of the Code of Virginia requires a certification by the Board that such executive meeting was conducted in conformity with Virginia law,**

**NOW, THEREFORE, BE IT RESOLVED that the Patrick County Board of Supervisors does hereby certify that, to the best of each member’s knowledge, only such public business matters as were identified in the motion convening the executive meeting were heard, discussed or considered by the Board,**

**BE IT FURTHER RESOLVED that the Patrick County Board of Supervisors does hereby certify that, to the best of each member’s knowledge, only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the executive meeting to which this certification resolution applies.**

**On motion by Lock Boyce seconded by Karl Weiss and carried the Board reconvenes into regular session.**

**Roll Call Vote:**

**Knight: yes**

**Harris: yes**

**Weiss: yes**

**Boyce: yes**

**Large: yes**

**On motion by Lock Boyce seconded by Crystal P. Harris and carried unanimously ordered that the Board be adjourned until July 14, 2008 commencing at 6:00 p.m.**

**, Chairman**