

**VIRGINIA:**

At a regular meeting of the Washington County Board of Supervisors held Tuesday, September 25, 2007, at 7:00 p.m., at the County Administration Building in Abingdon, Virginia the following were present:

**PRESENT:**

Kenneth O. Reynolds, Chairman  
Jack R. McCrady, Jr., Vice Chairman  
Phillip B. McCall  
Dulcie M. Mumpower  
Odell Owens  
Paul O. Price  
Anthony S. Rector

Mark K. Reeter, County Administrator  
Lucy E. Phillips, County Attorney  
Mark W. Seamon, Accounting Manager  
Naoma A. Mullins, Recording Clerk

\*\*\*\*\*

**1. Call to Order**

The meeting was called to order by Mr. Kenneth Reynolds, Chairman of the Board, who welcomed everyone in attendance.

**2. Invocation and Pledge of Allegiance**

Supervisor Phillip McCall gave the Invocation and led the Pledge of Allegiance.

**3. Approval of Agenda**

*On motion of Mr. Rector, second by Mr. Price, it was resolved to approve the agenda with the following amendments:*

**New Item 12.b. County Attorney Reports:**

***b. Placement of Billboards in the Business, General Zoning District***

*The vote on this motion was as follows: (7-0)*

*Mr. McCall                    Aye*  
*Mr. McCrady                Aye*  
*Mrs. Mumpower            Aye*  
*Mr. Owens                   Aye*

*Mr. Price*                    *Aye*  
*Mr. Rector*                *Aye*  
*Mr. Reynolds*            *Aye*

**4.     Approval of Minutes**

*On motion of Mr. Owens, second by Mr. McCall, it was resolved to approve the minutes of the following regular meetings as presented.*

*August 28, 2007 Regular Meeting*  
*September 11, 2007 Regular Meeting*

*The vote on this motion was as follows: (7-0)*

*Mr. McCall*                *Aye*  
*Mr. McCrady*            *Aye*  
*Mrs. Mumpower*        *Aye*  
*Mr. Owens*                *Aye*  
*Mr. Price*                 *Aye*  
*Mr. Rector*                *Aye*  
*Mr. Reynolds*            *Aye*

**5.     Public Hearings:**

**a.     Public Hearing and Consideration of Adoption of Resolutions Authorizing the Issuance of up to \$6,191,198.00 in General Obligation School Bonds for School Purposes**

Mr. Reeter addressed the Board explaining that included in the Board’s Agenda materials was four proposed Resolutions and four proposed Bond Sale Agreements. Each of the proposed Resolutions and Bond Sale Agreements pertain to one of four projects the Board was briefed on by Washington County School Administration at the August 30 recessed meeting relating to improvements to Abingdon Elementary, E. B. Stanley Middle, High Point Elementary and Valley Institute Elementary. The total aggregate amount of school bonds to be sold for these projects will not exceed \$6,191,198.00. He explained that tonight the Board will conduct a public hearing to allow for public opinion on use of General Obligation School Bonds for the capital improvements project. After the public hearing is conducted, the Board is asked to consider approving the Resolutions and Bond Sale Agreements.

At this time, Mr. Reynolds opened the public hearing to receive comments on the proposed use of General Obligation School bonds for school purposes.

Ms. Katie Gifford addressed the Board on behalf of Friends of the Washington County School System and on behalf of her children. Ms. Gifford expressed her appreciation for the opportunity to address funding for the school improvements project. She explained that The Friends of the Washington County School System is a new organization and reviewed their purpose. Ms. Gifford stated that the organization supports the facility plan and encourages the Board to adopt the Resolutions. She further stated that the facility plan is a common topic among parents and community members. Further, she said she has seen first hand the space and improvement needs at Abingdon Elementary and E. B. Stanley where her

children attend school. In closing, Ms. Gifford explained that the organization wants to communicate their support for phases II and III of the school facility plan.

Washington County School Superintendent Alan Lee addressed the Board explaining that regardless of the outcome of the Board's decision pertaining to the issuance of school bonds that he would like to express appreciation for the hard work and support that the Board of Supervisors has given to the School System.

There being no further comments, Mr. Reynolds declared the public hearing closed.

*On motion of Mr. Rector, second by Mr. McCrady, the Board acted to adopt the following Resolutions and to approve the Bond Sale Agreements and further to authorize their execution by the County Administration and Board Chairman:*

**RESOLUTION 2007-26  
AUTHORIZING THE ISSUANCE OF NOT TO  
EXCEED \$1,845,218 GENERAL OBLIGATION  
SCHOOL BONDS OF WASHINGTON COUNTY,  
VIRGINIA (ABINGDON ELEMENTARY SCHOOL  
PROJECT), SERIES 2007A, TO BE SOLD TO THE  
VIRGINIA PUBLIC SCHOOL AUTHORITY AND  
PROVIDING FOR THE FORM AND DETAILS  
THEREOF**

*WHEREAS, in January, 2007, the Commonwealth of Virginia Board of Education (the "Board of Education") placed the application (the "Application") of the School Board of Washington County, Virginia (the "School Board"), for a loan of \$1,845,218 (the "Literary Fund Loan") from the Literary Fund, a permanent trust fund established by the Constitution of Virginia (the "Literary Fund"), for the construction, renovation and expansion of school buildings (the "Project") in Washington County, Virginia (the "County"), on the First Priority Waiting List;*

*WHEREAS, the Board of Education was to have approved the release of Literary Fund moneys to the School Board and make a commitment to loan such moneys to the School Board (the "Commitment") within one (1) year of placement of the Application on the First Priority Waiting List upon receipt of the Literary Fund of an unencumbered sum available at least equal to the amount of the Application and the approval, by the Board of Education, of the Application as having met all conditions for a loan from the Literary Fund;*

*WHEREAS, the Board of Education was thereafter to have given advances on the amount of the Commitment for the Literary Fund Loan to the School Board, as construction or renovation of the Project progressed, in exchange for temporary notes from the School Board to the Literary Fund (the "Temporary Notes") for the amounts so advanced;*

*WHEREAS, after the completion of the Project and the advance of the total amount of the Commitment, the Temporary Notes were to have been consolidated into a permanent loan note of the School Board to the Literary Fund (the "Literary Fund Obligation") which was to evidence the obligation of the School Board to repay the Literary Fund Loan;*

*WHEREAS, the Literary Fund Obligation was to have borne interest at three percent (3%) per annum and mature in annual installments for a period of twenty (20) years;*

*WHEREAS, in connection with the 2007 Interest Rate Subsidy Program (the "Program"), the Virginia Public School Authority (the "VPSA") has offered to purchase general obligation school bonds of the County, and the Board of Education has offered to pay, to the County, a lump sum cash payment (the "Lump Sum Cash Payment") equal to the sum of (i) net present value difference, determined on the date on which VPSA sells its bonds, between the weighted average interest rate that the general obligation school bonds of the County will bear upon sale to VPSA and the interest rate that the Literary Fund Obligation would have borne plus (ii) an allowance for the costs of issuing such bonds of the County (the "Issuance Expense Allowance");*

*WHEREAS, the Board of Supervisors (the "Board") of the County has determined that it is necessary and expedient to borrow not to exceed \$1,845,218 and to issue its general obligation school bonds for the purpose of financing certain capital projects for school purposes; and*

*WHEREAS, the County held a public hearing, duly noticed, on September 25, 2007, on the issuance of the 2007A Bonds (as defined below) in accordance with the requirements of Section 15.2-2606, Code of Virginia 1950, as amended (the "Virginia Code"); and*

*WHEREAS, the School Board of the County has, by resolution, requested the Board to authorize the issuance of the 2007A Bonds (as hereinafter defined) and, consented to the issuance of the 2007A Bonds;*

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

1. *Authorization of 2007A Bonds and Use of Proceeds.* *The Board hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bonds in an aggregate principal amount not to exceed \$1,845,218 (the "2007A Bonds") for the purpose of financing certain capital projects for school purposes described in Exhibit B. The Board hereby authorizes the issuance and sale of the 2007A Bonds in the form and upon the terms established pursuant to this Resolution.*

2. *Sale of the 2007A Bonds.* *It is determined to be in the best interest of the County to accept the offer of VPSA to purchase from the County, and to sell to VPSA, the 2007A Bonds at a price, determined by VPSA to be fair and accepted by the Chairman of the Board and the County Administrator. The Chairman of the Board, the County Administrator, and such officer or officers of the County as either may designate are hereby authorized and directed to enter into a Bond Sale Agreement dated as of September 28, 2007 with VPSA providing for the sale of the 2007A Bonds to VPSA in substantially the form submitted to the Board at this meeting, which form is hereby approved (the "Bond Sale Agreement").*

3. *Details of the 2007A Bonds.* *The 2007A Bonds shall be dated the date of issuance and delivery of the 2007A Bonds; shall be designated "General Obligation School Bonds (Abingdon Elementary School Project), Series 2007A"; shall bear interest from the date of delivery thereof payable semi-annually on each January 15 and July 15 beginning July 15, 2008 (each an "Interest Payment Date"), at the rates established in accordance with Section 4 of this Resolution; and shall mature on July 15 in the years (each a "Principal Payment Date") and in the amounts set forth on Schedule I attached hereto (the "Principal Installments"), subject to the provisions of Section 4 of this Resolution.*

4. **Interest Rates and Principal Installments.** *The County Administrator is hereby authorized and directed to accept the interest rates on the 2007A Bonds established by VPSA, provided that each interest rate shall be ten one-hundredths of one percent (0.10%) over the interest rate to be paid by VPSA for the corresponding principal payment date of the bonds to be issued by VPSA (the "VPSA Bonds"), a portion of the proceeds of which will be used to purchase the 2007A Bonds, and provided further, that the true interest cost of the 2007A Bonds 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. The County Administrator is hereby authorized and directed to accept changes in the Interest Payment Dates and the Principal Installments at the request of VPSA, provided that the aggregate principal amount of the 2007A Bonds shall not exceed the amount authorized by this Resolution. The execution and delivery of the 2007A Bonds as described in Section 8 hereof shall conclusively evidence such interest rates established by VPSA and Interest Payment Dates and the Principal Installments requested by VPSA as having been so accepted as authorized by this Resolution.*

5. **Form of the 2007A Bonds.** *The 2007A Bonds 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 2007A Bonds:*

(a) *For as long as VPSA is the registered owner of the 2007A Bonds, all payments of principal, premium, if any, and interest on the 2007A Bonds shall be made in immediately available funds to VPSA at, or before 11:00 a.m. on the applicable Interest Payment Date or Principal Payment Date, 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 or Principal Payment Date.*

(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 2007A Bonds.*

(c) *U.S. Bank, National Association, Richmond, Virginia, Virginia, is designated as Bond Registrar and Paying Agent for the 2007A Bonds.*

7. **No Redemption or Prepayment.** *The Principal Installments of the 2007A Bonds shall not be subject to redemption or prepayment. Furthermore, the Board covenants, on behalf of the County, not to refund or refinance the 2007A Bonds without first obtaining the written consent of VPSA or the registered owner of the 2007A Bonds.*

8. **Execution of the 2007A Bonds.** *The Chairman or Vice Chairman and the Clerk or any Deputy Clerk of the Board are authorized and directed to execute and deliver the 2007A Bonds 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 2007A Bonds as the same shall become due, the full faith and credit of the County are hereby irrevocably pledged, and in each year while any of the 2007A 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 2007A 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.*

10. *Use of Proceeds Certificate and Certificate as to Arbitrage.* *The Chairman of the Board, the County Administrator and such officer or officers of the County as either may designate are hereby authorized and directed to execute a Certificate as to Arbitrage and a Use of Proceeds Certificate each setting forth the expected use and investment of the proceeds of the 2007A 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 2007A Bonds and on VPSA Bonds except as provided below. The Board covenants on behalf of the County that (i) the proceeds from the issuance and sale of the 2007A Bonds will be invested and expended as set forth in such Certificate as to Arbitrage 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 2007A Bonds and on VPSA Bonds will remain excludable from gross income for Federal income tax purposes.*

*The Board intends for the bonds to be treated as complying with the provisions of Section 148(f)(4)(D) of the Code, which provides an exception from the "rebate requirement," since the 2007A Bonds are (1) issued by the County which is a governmental unit with general taxing powers, (2) no bond which is a part of this issue of the 2007A Bonds is a private activity bond, (3) 95% or more of the net proceeds of the 2007A Bonds are to be used for local governmental activities entirely within the jurisdiction of the County, and (4) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County (and note and bonds issued by any subordinate entity of the County) during the calendar year 2007 is not reasonably expected to exceed \$5,000,000 except that, pursuant to the provisions of Section 148(f)(4)(D)(vii) of the Code, this amount of \$5,000,000 may increase by the lesser of \$10,000,000 or so much of the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County (and note and bonds issued by any subordinate entity of the County) during the calendar year 2007 attributable to financing and construction (within the meaning of Section 148(f)(4)(C)(iv) of the Code) of public school facilities.*

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 to participate in the State Non-Arbitrage Program in connection with the 2007A Bonds. The Chairman of the Board, the County Administrator and such officer or officers of the County as either 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 2007A Bonds by and among the County, the other participants in the sale of VPSA Bonds, VPSA, the investment manager and the depository, substantially in the form submitted to the Board at this meeting, which form is hereby approved.*

12. *Continuing Disclosure Agreement.* *The Chairman of the Board, the County Administrator and such officer or officers of the County as either may designate are hereby authorized and directed to execute a Continuing Disclosure Agreement, as set forth in Appendix F 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 and directed to make all filings required by Section 3 of the Bond Sale Agreement should the County be determined by VPSA to be a MOP (as defined in the Continuing Disclosure Agreement).*

13. *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.

14. 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 2007A Bonds and any such action previously taken is hereby ratified and confirmed.*

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

\*\*\*\*\*

**RESOLUTION 2007-27  
AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,419,383 GENERAL OBLIGATION SCHOOL BONDS OF WASHINGTON COUNTY, VIRGINIA (E.B. STANLEY MIDDLE SCHOOL PROJECT), SERIES 2007D, TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY AND PROVIDING FOR THE FORM AND DETAILS THEREOF**

*WHEREAS, in January, 2007, the Commonwealth of Virginia Board of Education (the "Board of Education") placed the application (the "Application") of the School Board of Washington County, Virginia (the "School Board"), for a loan of \$1,419,383 (the "Literary Fund Loan") from the Literary Fund, a permanent trust fund established by the Constitution of Virginia (the "Literary Fund"), for the construction, renovation and expansion of school buildings (the "Project") in Washington County, Virginia (the "County"), on the First Priority Waiting List;*

*WHEREAS, the Board of Education was to have approved the release of Literary Fund moneys to the School Board and make a commitment to loan such moneys to the School Board (the "Commitment") within one (1) year of placement of the Application on the First Priority Waiting List upon receipt of the Literary Fund of an unencumbered sum available at least equal to the amount of the Application and the approval, by the Board of Education, of the Application as having met all conditions for a loan from the Literary Fund;*

*WHEREAS, the Board of Education was thereafter to have given advances on the amount of the Commitment for the Literary Fund Loan to the School Board, as construction or renovation of the Project progressed, in exchange for temporary notes from the School Board to the Literary Fund (the "Temporary Notes") for the amounts so advanced;*

*WHEREAS, after the completion of the Project and the advance of the total amount of the Commitment, the Temporary Notes were to have been consolidated into a permanent loan note of the School Board to the Literary Fund (the "Literary Fund Obligation") which was to evidence the obligation of the School Board to repay the Literary Fund Loan;*

*WHEREAS, the Literary Fund Obligation was to have borne interest at three percent (3%) per annum and mature in annual installments for a period of twenty (20) years;*

*WHEREAS, in connection with the 2007 Interest Rate Subsidy Program (the "Program"), the Virginia Public School Authority (the "VPSA") has offered to purchase general obligation school bonds*

*of the County, and the Board of Education has offered to pay, to the County, a lump sum cash payment (the "Lump Sum Cash Payment") equal to the sum of (i) net present value difference, determined on the date on which VPSA sells its bonds, between the weighted average interest rate that the general obligation school bonds of the County will bear upon sale to VPSA and the interest rate that the Literary Fund Obligation would have borne plus (ii) an allowance for the costs of issuing such bonds of the County (the "Issuance Expense Allowance");*

*WHEREAS, the Board of Supervisors (the "Board") of the County has determined that it is necessary and expedient to borrow not to exceed \$1,419,383 and to issue its general obligation school bonds for the purpose of financing certain capital projects for school purposes; and*

*WHEREAS, the County held a public hearing, duly noticed, on September 25, 2007, on the issuance of the 2007D Bonds (as defined below) in accordance with the requirements of Section 15.2-2606, Code of Virginia 1950, as amended (the "Virginia Code"); and*

*WHEREAS, the School Board of the County has, by resolution, requested the Board to authorize the issuance of the 2007D Bonds (as hereinafter defined) and, consented to the issuance of the 2007D Bonds;*

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

16. Authorization of 2007D Bonds and Use of Proceeds. *The Board hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bonds in an aggregate principal amount not to exceed \$1,419,383 (the "2007D Bonds") for the purpose of financing certain capital projects for school purposes described in Exhibit B. The Board hereby authorizes the issuance and sale of the 2007D Bonds in the form and upon the terms established pursuant to this Resolution.*

17. Sale of the 2007D Bonds. *It is determined to be in the best interest of the County to accept the offer of VPSA to purchase from the County, and to sell to VPSA, the 2007D Bonds at a price, determined by VPSA to be fair and accepted by the Chairman of the Board and the County Administrator. The Chairman of the Board, the County Administrator, and such officer or officers of the County as either may designate are hereby authorized and directed to enter into a Bond Sale Agreement dated as of September 28, 2007 with VPSA providing for the sale of the 2007D Bonds to VPSA in substantially the form submitted to the Board at this meeting, which form is hereby approved (the "Bond Sale Agreement").*

18. Details of the 2007D Bonds. *The 2007D Bonds shall be dated the date of issuance and delivery of the 2007D Bonds; shall be designated "General Obligation School Bonds (E.B. Stanley Middle School Project), Series 2007D"; shall bear interest from the date of delivery thereof payable semi-annually on each January 15 and July 15 beginning July 15, 2008 (each an "Interest Payment Date"), at the rates established in accordance with Section 4 of this Resolution; and shall mature on July 15 in the years (each a "Principal Payment Date") and in the amounts set forth on Schedule I attached hereto (the "Principal Installments"), subject to the provisions of Section 4 of this Resolution.*

19. Interest Rates and Principal Installments. *The County Administrator is hereby authorized and directed to accept the interest rates on the 2007D Bonds established by VPSA, provided that each interest rate shall be ten one-hundredths of one percent (0.10%) over the interest rate to be paid by VPSA for the corresponding principal payment date of the bonds to be issued by VPSA (the "VPSA Bonds"), a*

portion of the proceeds of which will be used to purchase the 2007D Bonds, and provided further, that the true interest cost of the 2007D Bonds 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. The County Administrator is hereby authorized and directed to accept changes in the Interest Payment Dates and the Principal Installments at the request of VPSA, provided that the aggregate principal amount of the 2007D Bonds shall not exceed the amount authorized by this Resolution. The execution and delivery of the 2007D Bonds as described in Section 8 hereof shall conclusively evidence such interest rates established by VPSA and Interest Payment Dates and the Principal Installments requested by VPSA as having been so accepted as authorized by this Resolution.

20. Form of the 2007D Bonds. The 2007D Bonds shall be initially in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A.

21. Payment; Paying Agent and Bond Registrar. The following provisions shall apply to the 2007D Bonds:

(a) For as long as VPSA is the registered owner of the 2007D Bonds, all payments of principal, premium, if any, and interest on the 2007D Bonds shall be made in immediately available funds to VPSA at, or before 11:00 a.m. on the applicable Interest Payment Date or Principal Payment Date, 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 or Principal Payment Date.

(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 2007D Bonds.

(c) U.S. Bank, National Association, Richmond, Virginia, Virginia, is designated as Bond Registrar and Paying Agent for the 2007D Bonds.

22. No Redemption or Prepayment. The Principal Installments of the 2007D Bonds shall not be subject to redemption or prepayment. Furthermore, the Board covenants, on behalf of the County, not to refund or refinance the 2007D Bonds without first obtaining the written consent of VPSA or the registered owner of the 2007D Bonds.

23. Execution of the 2007D Bonds. The Chairman or Vice Chairman and the Clerk or any Deputy Clerk of the Board are authorized and directed to execute and deliver the 2007D Bonds and to affix the seal of the County thereto.

24. Pledge of Full Faith and Credit. For the prompt payment of the principal of, premium, if any, and the interest on the 2007D Bonds as the same shall become due, the full faith and credit of the County are hereby irrevocably pledged, and in each year while any of the 2007D 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 2007D 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.

25. Use of Proceeds Certificate and Certificate as to Arbitrage. The Chairman of the Board, the County Administrator and such officer or officers of the County as either may designate are hereby

*authorized and directed to execute a Certificate as to Arbitrage and a Use of Proceeds Certificate each setting forth the expected use and investment of the proceeds of the 2007D 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 2007D Bonds and on VPSA Bonds except as provided below. The Board covenants on behalf of the County that (i) the proceeds from the issuance and sale of the 2007D Bonds will be invested and expended as set forth in such Certificate as to Arbitrage 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 2007D Bonds and on VPSA Bonds will remain excludable from gross income for Federal income tax purposes.*

*The Board intends for the bonds to be treated as complying with the provisions of Section 148(f)(4)(D) of the Code, which provides an exception from the "rebate requirement," since the 2007D Bonds are (1) issued by the County which is a governmental unit with general taxing powers, (2) no bond which is a part of this issue of the 2007D Bonds is a private activity bond, (3) 95% or more of the net proceeds of the 2007D Bonds are to be used for local governmental activities entirely within the jurisdiction of the County, and (4) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County (and note and bonds issued by any subordinate entity of the County) during the calendar year 2007 is not reasonably expected to exceed \$5,000,000 except that, pursuant to the provisions of Section 148(f)(4)(D)(vii) of the Code, this amount of \$5,000,000 may increase by the lesser of \$10,000,000 or so much of the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County (and note and bonds issued by any subordinate entity of the County) during the calendar year 2007 attributable to financing and construction (within the meaning of Section 148(f)(4)(C)(iv) of the Code) of public school facilities.*

26. *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 to participate in the State Non-Arbitrage Program in connection with the 2007D Bonds. The Chairman of the Board, the County Administrator and such officer or officers of the County as either 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 2007D Bonds by and among the County, the other participants in the sale of VPSA Bonds, VPSA, the investment manager and the depository, substantially in the form submitted to the Board at this meeting, which form is hereby approved.*

27. *Continuing Disclosure Agreement.* *The Chairman of the Board, the County Administrator and such officer or officers of the County as either may designate are hereby authorized and directed to execute a Continuing Disclosure Agreement, as set forth in Appendix F 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 and directed to make all filings required by Section 3 of the Bond Sale Agreement should the County be determined by VPSA to be a MOP (as defined in the Continuing Disclosure Agreement).*

28. *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.*

29. *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 2007D Bonds and any such action previously taken is hereby ratified and confirmed.*

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

\* \* \*

***RESOLUTION 2007-28  
AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,465,253 GENERAL OBLIGATION SCHOOL BONDS OF WASHINGTON COUNTY, VIRGINIA (HIGH POINT ELEMENTARY SCHOOL PROJECT), SERIES 2007B, TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY AND PROVIDING FOR THE FORM AND DETAILS THEREOF***

*WHEREAS, in January, 2007, the Commonwealth of Virginia Board of Education (the "Board of Education") placed the application (the "Application") of the School Board of Washington County, Virginia (the "School Board"), for a loan of \$1,465,253 (the "Literary Fund Loan") from the Literary Fund, a permanent trust fund established by the Constitution of Virginia (the "Literary Fund"), for the construction, renovation and expansion of school buildings (the "Project") in Washington County, Virginia (the "County"), on the First Priority Waiting List;*

*WHEREAS, the Board of Education was to have approved the release of Literary Fund moneys to the School Board and make a commitment to loan such moneys to the School Board (the "Commitment") within one (1) year of placement of the Application on the First Priority Waiting List upon receipt of the Literary Fund of an unencumbered sum available at least equal to the amount of the Application and the approval, by the Board of Education, of the Application as having met all conditions for a loan from the Literary Fund;*

*WHEREAS, the Board of Education was thereafter to have given advances on the amount of the Commitment for the Literary Fund Loan to the School Board, as construction or renovation of the Project progressed, in exchange for temporary notes from the School Board to the Literary Fund (the "Temporary Notes") for the amounts so advanced;*

*WHEREAS, after the completion of the Project and the advance of the total amount of the Commitment, the Temporary Notes were to have been consolidated into a permanent loan note of the School Board to the Literary Fund (the "Literary Fund Obligation") which was to evidence the obligation of the School Board to repay the Literary Fund Loan;*

*WHEREAS, the Literary Fund Obligation was to have borne interest at three percent (3%) per annum and mature in annual installments for a period of twenty (20) years;*

*WHEREAS, in connection with the 2007 Interest Rate Subsidy Program (the "Program"), the Virginia Public School Authority (the "VPSA") has offered to purchase general obligation school bonds of the County, and the Board of Education has offered to pay, to the County, a lump sum cash payment (the "Lump Sum Cash Payment") equal to the sum of (i) net present value difference, determined on the date on which VPSA sells its bonds, between the weighted average interest rate that the general obligation school bonds of the County will bear upon sale to VPSA and the interest rate that the Literary Fund*

*Obligation would have borne plus (ii) an allowance for the costs of issuing such bonds of the County (the "Issuance Expense Allowance");*

*WHEREAS, the Board of Supervisors (the "Board") of the County has determined that it is necessary and expedient to borrow not to exceed \$1,465,253 and to issue its general obligation school bonds for the purpose of financing certain capital projects for school purposes; and*

*WHEREAS, the County held a public hearing, duly noticed, on September 25, 2007, on the issuance of the 2007B Bonds (as defined below) in accordance with the requirements of Section 15.2-2606, Code of Virginia 1950, as amended (the "Virginia Code"); and*

*WHEREAS, the School Board of the County has, by resolution, requested the Board to authorize the issuance of the 2007B Bonds (as hereinafter defined) and, consented to the issuance of the 2007B Bonds;*

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

31. *Authorization of 2007B Bonds and Use of Proceeds.* *The Board hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bonds in an aggregate principal amount not to exceed \$1,465,253 (the "2007B Bonds") for the purpose of financing certain capital projects for school purposes described in Exhibit B. The Board hereby authorizes the issuance and sale of the 2007B Bonds in the form and upon the terms established pursuant to this Resolution.*

32. *Sale of the 2007B Bonds.* *It is determined to be in the best interest of the County to accept the offer of VPSA to purchase from the County, and to sell to VPSA, the 2007B Bonds at a price, determined by VPSA to be fair and accepted by the Chairman of the Board and the County Administrator. The Chairman of the Board, the County Administrator, and such officer or officers of the County as either may designate are hereby authorized and directed to enter into a Bond Sale Agreement dated as of September 28, 2007 with VPSA providing for the sale of the 2007B Bonds to VPSA in substantially the form submitted to the Board at this meeting, which form is hereby approved (the "Bond Sale Agreement").*

33. *Details of the 2007B Bonds.* *The 2007B Bonds shall be dated the date of issuance and delivery of the 2007B Bonds; shall be designated "General Obligation School Bonds (High Point Elementary School Project), Series 2007B"; shall bear interest from the date of delivery thereof payable semi-annually on each January 15 and July 15 beginning July 15, 2008 (each an "Interest Payment Date"), at the rates established in accordance with Section 4 of this Resolution; and shall mature on July 15 in the years (each a "Principal Payment Date") and in the amounts set forth on Schedule I attached hereto (the "Principal Installments"), subject to the provisions of Section 4 of this Resolution.*

34. *Interest Rates and Principal Installments.* *The County Administrator is hereby authorized and directed to accept the interest rates on the 2007B Bonds established by VPSA, provided that each interest rate shall be ten one-hundredths of one percent (0.10%) over the interest rate to be paid by VPSA for the corresponding principal payment date of the bonds to be issued by VPSA (the "VPSA Bonds"), a portion of the proceeds of which will be used to purchase the 2007B Bonds, and provided further, that the true interest cost of the 2007B Bonds 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. The County Administrator is hereby authorized and directed to accept changes in the Interest*

*Payment Dates and the Principal Installments at the request of VPSA, provided that the aggregate principal amount of the 2007B Bonds shall not exceed the amount authorized by this Resolution. The execution and delivery of the 2007B Bonds as described in Section 8 hereof shall conclusively evidence such interest rates established by VPSA and Interest Payment Dates and the Principal Installments requested by VPSA as having been so accepted as authorized by this Resolution.*

35. *Form of the 2007B Bonds.* *The 2007B Bonds shall be initially in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A.*

36. *Payment; Paying Agent and Bond Registrar.* *The following provisions shall apply to the 2007B Bonds:*

(a) *For as long as VPSA is the registered owner of the 2007B Bonds, all payments of principal, premium, if any, and interest on the 2007B Bonds shall be made in immediately available funds to VPSA at, or before 11:00 a.m. on the applicable Interest Payment Date or Principal Payment Date, 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 or Principal Payment Date.*

(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 2007B Bonds.*

(c) *U.S. Bank, National Association, Richmond, Virginia, is designated as Bond Registrar and Paying Agent for the 2007B Bonds.*

37. *No Redemption or Prepayment.* *The Principal Installments of the 2007B Bonds shall not be subject to redemption or prepayment. Furthermore, the Board covenants, on behalf of the County, not to refund or refinance the 2007B Bonds without first obtaining the written consent of VPSA or the registered owner of the 2007B Bonds.*

38. *Execution of the 2007B Bonds.* *The Chairman or Vice Chairman and the Clerk or any Deputy Clerk of the Board are authorized and directed to execute and deliver the 2007B Bonds and to affix the seal of the County thereto.*

39. *Pledge of Full Faith and Credit.* *For the prompt payment of the principal of, premium, if any, and the interest on the 2007B Bonds as the same shall become due, the full faith and credit of the County are hereby irrevocably pledged, and in each year while any of the 2007B 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 2007B 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.*

40. *Use of Proceeds Certificate and Certificate as to Arbitrage.* *The Chairman of the Board, the County Administrator and such officer or officers of the County as either may designate are hereby authorized and directed to execute a Certificate as to Arbitrage and a Use of Proceeds Certificate each setting forth the expected use and investment of the proceeds of the 2007B 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 2007B Bonds and on VPSA Bonds except as provided below. The Board covenants on behalf of the County that (i) the proceeds from the issuance and sale of the 2007B Bonds will be invested and expended as set forth in such Certificate as to Arbitrage 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 2007B Bonds and on VPSA Bonds will remain excludable from gross income for Federal income tax purposes.*

*The Board intends for the bonds to be treated as complying with the provisions of Section 148(f)(4)(D) of the Code, which provides an exception from the "rebate requirement," since the 2007B Bonds are (1) issued by the County which is a governmental unit with general taxing powers, (2) no bond which is a part of this issue of the 2007B Bonds is a private activity bond, (3) 95% or more of the net proceeds of the 2007B Bonds are to be used for local governmental activities entirely within the jurisdiction of the County, and (4) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County (and note and bonds issued by any subordinate entity of the County) during the calendar year 2007 is not reasonably expected to exceed \$5,000,000 except that, pursuant to the provisions of Section 148(f)(4)(D)(vii) of the Code, this amount of \$5,000,000 may increase by the lesser of \$10,000,000 or so much of the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County (and note and bonds issued by any subordinate entity of the County) during the calendar year 2007 attributable to financing and construction (within the meaning of Section 148(f)(4)(C)(iv) of the Code) of public school facilities.*

41. *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 to participate in the State Non-Arbitrage Program in connection with the 2007B Bonds. The Chairman of the Board, the County Administrator and such officer or officers of the County as either 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 2007B Bonds by and among the County, the other participants in the sale of VPSA Bonds, VPSA, the investment manager and the depository, substantially in the form submitted to the Board at this meeting, which form is hereby approved.*

42. *Continuing Disclosure Agreement.* *The Chairman of the Board, the County Administrator and such officer or officers of the County as either may designate are hereby authorized and directed to execute a Continuing Disclosure Agreement, as set forth in Appendix F 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 and directed to make all filings required by Section 3 of the Bond Sale Agreement should the County be determined by VPSA to be a MOP (as defined in the Continuing Disclosure Agreement).*

43. *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.*

44. *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 2007B Bonds and any such action previously taken is hereby ratified and confirmed.*

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

\* \* \*

**RESOLUTION 2007-29  
AUTHORIZING THE ISSUANCE OF NOT TO  
EXCEED \$1,166,525 GENERAL OBLIGATION  
SCHOOL BONDS OF WASHINGTON COUNTY,  
VIRGINIA (VALLEY INSTITUTE ELEMENTARY  
SCHOOL PROJECT), SERIES 2007C, 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 has determined that it is necessary and expedient to borrow not to exceed \$1,166,525 and to issue its general obligation school bonds for the purpose of financing certain capital projects for school purposes; and*

*WHEREAS, the County held a public hearing, duly noticed, on September 25, 2007, on the issuance of the 2007C Bonds (as defined below) in accordance with the requirements of Section 15.2-2606, Code of Virginia 1950, as amended (the "Virginia Code"); and*

*WHEREAS, the School Board of the County has, by resolution, requested the Board to authorize the issuance of the 2007C Bonds (as hereinafter defined) and, consented to the issuance of the 2007C Bonds;*

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

46. *Authorization of 2007C Bonds and Use of Proceeds. The Board hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bonds in an aggregate principal amount not to exceed \$1,166,525 (the "2007C Bonds") for the purpose of financing certain capital projects for school purposes described in Exhibit B. The Board hereby authorizes the issuance and sale of the 2007C Bonds in the form and upon the terms established pursuant to this Resolution.*

47. *Sale of the 2007C Bonds. It is determined to be in the best interest of the County to accept the offer of VPSA to purchase from the County, and to sell to VPSA, the 2007C Bonds at a price, determined by VPSA to be fair and accepted by the Chairman of the Board and the County Administrator. The Chairman of the Board, the County Administrator, and such officer or officers of the County as either may designate are hereby authorized and directed to enter into a Bond Sale Agreement dated as of September 28, 2007 with VPSA providing for the sale of the 2007C Bonds to VPSA in substantially the form submitted to the Board at this meeting, which form is hereby approved (the "Bond Sale Agreement").*

48. *Details of the 2007C Bonds. The 2007C Bonds shall be dated the date of issuance and delivery of the 2007C Bonds; shall be designated "General Obligation School Bonds (Valley Institute Elementary School Project), Series 2007C"; shall bear interest from the date of delivery thereof payable semi-annually on each January 15 and July 15 beginning July 15, 2008 (each an "Interest Payment Date"), at the rates established in accordance with Section 4 of this Resolution; and shall mature on July 15 in the years (each a "Principal Payment Date") and in the amounts set forth on Schedule I attached hereto (the "Principal Installments"), subject to the provisions of Section 4 of this Resolution.*

49. **Interest Rates and Principal Installments.** *The County Administrator is hereby authorized and directed to accept the interest rates on the 2007C Bonds established by VPSA, provided that each interest rate shall be ten one-hundredths of one percent (0.10%) over the interest rate to be paid by VPSA for the corresponding principal payment date of the bonds to be issued by VPSA (the "VPSA Bonds"), a portion of the proceeds of which will be used to purchase the 2007C Bonds, and provided further, that the true interest cost of the 2007C Bonds 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. The County Administrator is hereby authorized and directed to accept changes in the Interest Payment Dates and the Principal Installments at the request of VPSA, provided that the aggregate principal amount of the 2007C Bonds shall not exceed the amount authorized by this Resolution. The execution and delivery of the 2007C Bonds as described in Section 8 hereof shall conclusively evidence such interest rates established by VPSA and Interest Payment Dates and the Principal Installments requested by VPSA as having been so accepted as authorized by this Resolution.*

50. **Form of the 2007C Bonds.** *The 2007C Bonds shall be initially in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A.*

51. **Payment; Paying Agent and Bond Registrar.** *The following provisions shall apply to the 2007C Bonds:*

(a) *For as long as VPSA is the registered owner of the 2007C Bonds, all payments of principal, premium, if any, and interest on the 2007C Bonds shall be made in immediately available funds to VPSA at, or before 11:00 a.m. on the applicable Interest Payment Date or Principal Payment Date, 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 or Principal Payment Date.*

(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 2007C Bonds.*

(c) *U.S. Bank, National Association, Richmond, Virginia, is designated as Bond Registrar and Paying Agent for the 2007C Bonds.*

52. **No Redemption or Prepayment.** *The Principal Installments of the 2007C Bonds shall not be subject to redemption or prepayment. Furthermore, the Board covenants, on behalf of the County, not to refund or refinance the 2007C Bonds without first obtaining the written consent of VPSA or the registered owner of the 2007C Bonds.*

53. **Execution of the 2007C Bonds.** *The Chairman or Vice Chairman and the Clerk or any Deputy Clerk of the Board are authorized and directed to execute and deliver the 2007C Bonds and to affix the seal of the County thereto.*

54. **Pledge of Full Faith and Credit.** *For the prompt payment of the principal of, premium, if any, and the interest on the 2007C Bonds as the same shall become due, the full faith and credit of the County are hereby irrevocably pledged, and in each year while any of the 2007C 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 2007C 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.*

55. *Use of Proceeds Certificate and Certificate as to Arbitrage.* *The Chairman of the Board, the County Administrator and such officer or officers of the County as either may designate are hereby authorized and directed to execute a Certificate as to Arbitrage and a Use of Proceeds Certificate each setting forth the expected use and investment of the proceeds of the 2007C 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 2007C Bonds and on VPSA Bonds except as provided below. The Board covenants on behalf of the County that (i) the proceeds from the issuance and sale of the 2007C Bonds will be invested and expended as set forth in such Certificate as to Arbitrage 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 2007C Bonds and on VPSA Bonds will remain excludable from gross income for Federal income tax purposes.*

*The Board intends for the bonds to be treated as complying with the provisions of Section 148(f)(4)(D) of the Code, which provides an exception from the "rebate requirement," since the 2007C Bonds are (1) issued by the County which is a governmental unit with general taxing powers, (2) no bond which is a part of this issue of the 2007C Bonds is a private activity bond, (3) 95% or more of the net proceeds of the 2007C Bonds are to be used for local governmental activities entirely within the jurisdiction of the County, and (4) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County (and note and bonds issued by any subordinate entity of the County) during the calendar year 2007 is not reasonably expected to exceed \$5,000,000 except that, pursuant to the provisions of Section 148(f)(4)(D)(vii) of the Code, this amount of \$5,000,000 may increase by the lesser of \$10,000,000 or so much of the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County (and note and bonds issued by any subordinate entity of the County) during the calendar year 2007 attributable to financing and construction (within the meaning of Section 148(f)(4)(C)(iv) of the Code) of public school facilities.*

56. *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 to participate in the State Non-Arbitrage Program in connection with the 2007C Bonds. The Chairman of the Board, the County Administrator and such officer or officers of the County as either 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 2007C Bonds by and among the County, the other participants in the sale of VPSA Bonds, VPSA, the investment manager and the depository, substantially in the form submitted to the Board at this meeting, which form is hereby approved.*

57. *Continuing Disclosure Agreement.* *The Chairman of the Board, the County Administrator and such officer or officers of the County as either may designate are hereby authorized and directed to execute a Continuing Disclosure Agreement, as set forth in Appendix F 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 and directed to make all filings required by Section 3 of the Bond Sale Agreement should the County be determined by VPSA to be a MOP (as defined in the Continuing Disclosure Agreement).*

58. *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.

59. **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 2007C Bonds and any such action previously taken is hereby ratified and confirmed.*

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

\* \* \*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

*Sciawen's Note: The Bond Sale Agreements referenced above is included as Minutes Exhibits Item 2007-09-25-a.*

**b. Public hearing and Consideration of Conveyance of Easement to the Washington County Service Authority for Installation of Waterline along border of Meadowview Town Square**

Ms. Phillips explained that the Washington County Service Authority has requested an easement to relocate a waterline that will cross Meadowview Square, which is owned by the County. She further explained that it is her understanding that the reason for this request is because the railroad depot is going to be moved and the waterline needs to be relocated to accommodate the construction. The Board was provided with a copy of the Easement Agreement and Plat for review. Ms. Phillips said that State law requires a public hearing to be held before County owned property is conveyed.

Mr. Reynolds opened the public hearing to receive comments on the proposed conveyance of easement to the Washington County Service Authority for installation of waterline along border of Meadowview Town Square.

Mr. George Roberts addressed the Board explaining that his son owns property in Meadowview Square and question if the waterline relocation would be on County owned property only, or if it would affect other property owners. At this time, the plat showing the proposed waterline relocation was reviewed. Ms. Phillips explained that the proposed waterline relocation will only affect County property. If other property owners were affected the Service Authority would have to get permission from those property owners.

There being no further comments, Mr. Reynolds declared the public hearing closed.

***On motion of Mr. Rector, second by Mrs. Mumpower, the Board acted to approve the Easement Agreement and to authorize the Chairman of the Board to execute the Agreement.***

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

*Sciavener's Note: The Easement Agreement referenced above is included as Minutes Exhibits Item 2007-09-25-B.*

**6. Consideration of Various Matters Pertaining to Washington County Public Library**

- a. Update on Damascus Branch Library Project and Approval of Application for VDOT Enhancement Grant

Dr. Mel Heiman, Chairman of the Washington County Public Library Board of Trustees addressed the Board on several issues. Dr. Heiman explained that the Library Board has worked intensely over the last several years to develop a master plan to address the population changes of the library and the patrons' needs in terms of library services. The Library Board has considered additional library branches. It has become clear that the main library branch is inadequate to meet their current needs let alone future needs. He explained that after a lot of research the Library Board has decided the best option is likely to relocate the main library branch away from the downtown Abingdon area. The Library Board has had a lot of trouble trying to locate a suitable amount of land within a reasonable price range. One option that has come up and that the Library Board would like the Board of Supervisors support is to consider a joint project with the Town of Abingdon and the William King Foundation to consider relocating the main library branch on the Art Center campus. There have been informal talks about this possibility and there seems to be a lot of excitement about the project. However, at this time there are no commitments from the involved parties. Dr. Heiman asked the Board to consider appropriating \$2,600.00 that would be used toward a planning session to be held at the Art Center with an advisor and architect to discuss the relocation of the main library branch on the Art Center campus. The Town of Abingdon and The Art Center has committed to contributing \$2,600.00 toward the planning meeting. The money is being requested in order to pay for the advisors to participate in the planning session. The advisors will look at the building site, draw sketches and provide each organization with a summary of the two day meeting to bring back to their respective governing bodies. Dr. Heiman stated that there are hurdles to overcome when bringing three organizations together, but it is the hope that everyone involved in the planning meeting will focus on the needs of the community and how they could be integrated with the resources currently available to create a nice public area hopefully accessible to bike trails. Discussions ensued among the Board at this time. Mr. Owens asked who would chair this meeting. Mr. Heiman replied that it would be representatives from Hill Studios in Roanoke, VA. Mr. McCall stated that the Library Planning Committee has worked for a long time on the facilities plan. The main library branch is out of space. Land to purchase for a new main branch is extremely expensive and if a second story was added to the current main library branch building the entire building would have to be leveled and a new building constructed. This would not resolve the parking problems. Mr. McCall explained that if the Town of Abingdon and the William King Found supports the idea of relocating the main library branch to

the Art Center campus then he believes the Board should contribute the \$2,600.00 toward the planning session. Further discussions ensued.

*On motion of Mr. McCall, second by Mrs. Mumpower, it was resolved to approve a supplemental appropriation in the amount of \$2,600.00 from Reserve for Contingencies to the Washington County Public Library to be used as Washington County's contribution toward the planning session with the Town of Abingdon, William King Foundation and advisors to discuss the possibility of relocating the Washington County Public Library's main branch to the William King Art Center Campus.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

Dr. Heiman explained that the second issue he would like to address the Board about is that the Library Board would like to apply for grant funding from the Virginia Department of Transportation (VDOT) to be used to supplement funds for the Damascus Library Branch. VDOT requires that the grant application be made by the County. He further explained that approximately \$170,000.000 less in Tobacco Commission money than anticipated was received for the construction costs of the Damascus Library Branch, and the money from the VDOT grant if received would help make up the shortfall. Dr. Heiman stated that should the Board approve the submission of the grant to VDOT they are making a financial commitment on behalf of the County. Discussion ensued among the Board.

*On motion of Mr. McCrady, second by Mr. Owens, the Board acted to adopt the following Resolution:*

**RESOLUTION 2007-30**

*WHEREAS, in accordance with Commonwealth Transportation Board construction allocation procedures, it is necessary that a request by resolution be received from the local government or state agency in order that the Virginia Department of Transportation program an enhancement project in Washington County;*

*NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Washington County, Virginia that the Board hereby requests the Commonwealth Transportation Board to establish a project for the improvement of County library services within the Town of Damascus, Virginia.*

*BE IT FURTHER RESOLVED, that Washington County, Virginia hereby agrees to pay a minimum 20 percent of the total cost for planning and design, right of way, and construction of this project, and that, if the County subsequently elects to cancel this project the County hereby agrees to reimburse the Virginia Department of Transportation for the total amount of costs expended by the Department through the date the Department is notified of such cancellation.*

*The vote on this motion was as follows: (7-0)*

*Mr. McCall*                    *Aye*  
*Mr. McCrady*                *Aye*  
*Mrs. Mumpower*            *Aye*  
*Mr. Owens*                   *Aye*  
*Mr. Price*                    *Aye*  
*Mr. Rector*                  *Aye*  
*Mr. Reynolds*               *Aye*

Dr. Heiman explained that the third issue he would like to address is the shortfall in funding for the Damascus Library Branch construction project. The library has been leading an extensive fund raising campaign to raise the \$127,000.000 that is needed to complete the Damascus project. The Tobacco Commission has a clause in their grant program that says they will not release their funds until a commitment of funding for the entire project is made. The Library Board is asking that the Board of Supervisors make a commitment to fund the shortfall should the Library not be able to raise sufficient funds and should the County not receive the grant from VDOT. He stated that the Library Board would not know if VDOT approves the grant application until after the first of the year. Dr. Heiman further explained that any funding from the Board would not be needed until next fiscal year. He stated that the Library Board needs the Tobacco Commission funding to move forward with the Damascus Library Branch Project. Mr. Rector stated that the Board cannot commit future Boards to funding commitments. Ms. Phillips explained that the Board could not make a binding commitment for future Boards, but could make a moral obligation. The Board continued to discuss this request at length. Mr. Reeter recommended that if the Board wishes to set aside the \$127,000.00 for the Library that they act to move that amount of money from Reserves for General Capital Projects into a line item called Reserve for Damascus Library. There is no funding in the current budget for the Damascus Library Project because all of the money that was in this line item has now been obligated to be spent and has been placed within another line item in the Capital Projects Fund. Mr. Reeter further explained that by placing the \$127,000.00 into the Reserve for Damascus Library Line Item he could then write a letter to basically say that the County has earmarked the funds subject to additional appropriation for the project by the Board. Further discussions ensued. Responding to an inquiry, Ms. Parsons explained that she has met with VDOT concerning the grant application and it has been determined that the County is in a very good position to receive the grant funding. She further explained that VDOT has a checklist of eligibility requirements for the grant and that the library could meet four of the five check points listed. After further discussions the following action was taken:

***On motion of Mr. McCrady, second by Mr. Price, the Board acted to place \$127,000.00 in Line Item 94900-5903, Capital Improvements for Damascus to be used in the event the monies are needed.***

***The vote on this motion was as follows: (6-0-1)***

*Mr. McCall*                    *Aye*  
*Mr. McCrady*                *Aye*  
*Mrs. Mumpower*            *Aye*  
*Mr. Owens*                   *Aye*  
*Mr. Price*                    *Aye*  
*Mr. Rector*                  *Abstained*  
*Mr. Reynolds*               *Aye*

Mr. Reynolds thanked Ms. Parsons, Dr. Heiman and the Library Board for all they are doing to improve the library facilities and services for the citizens of Washington County. Dr. Heiman thanked the Board for their support.

b. Approval of Proposed Resolution Supporting “The Big Read” Project

Ms. Charlotte Parsons, Director, Washington County Public Library, addressed the Board concerning “The Big Read” Project. Ms. Parsons explained that the National Endowment for the Arts (NEA) began “The Big Read” Project to restore reading for pleasure as a central part of American culture and to encourage discussion about books containing themes of interest to communities. The Program came about as a result of a study that showed Americans are reading less. The NEA provides funds to communities to select a book and then plan activities around the book. Washington County was one of 200 communities that received an NEA grant to participate in “The Big Read” Project. The project for Washington County will be centered on the reading and discussion of *Fahrenheit 451* by Ray Bradbury. Ms. Parson’s explained that this book deals with communities that are not allowed to have books and that firemen come in and burn all the books because reading is bad for you. She further explained that the reason this particular book was chosen is because of the censorship issues that came about in the 1980’s and to express the importance of freedom to read. Ms. Parsons stated that enough funds were received to purchase 1000 copies of the book which will be distributed in the community beginning October 1. The request before the Board is to go on record to support “The Big Read” Project.

*On motion of Mr. McCall, second by Mrs. Mumpower, the Board acted to adopt the following Resolution:*

**RESOLUTION 2007-31  
CELEBRATING THE FREEDOM TO READ**

*WHEREAS, the freedom to read is essential to our democracy, and reading is among our greatest freedoms; and*

*WHEREAS, privacy is essential to the exercise of that freedom, and the right to privacy is the right to open inquiry without having the subject of one’s interest examined or scrutinized by others; and*

*WHEREAS, the freedom to read is protected by our Constitution; and*

*WHEREAS, some individuals, groups, and public authorities work to remove or limit access to reading materials, to censor content in schools, to label “controversial” views, to distribute lists of “objectionable” books or authors, and to purge libraries of materials reflecting the diversity of society; and*

*WHEREAS, Americans still favor free enterprise in ideas and expression, and can be trusted to exercise critical judgment, to recognize propaganda and misinformation, and to make their own decisions about what they read and believe, and to exercise the responsibilities that accompany this freedom; and*

*WHEREAS, intellectual freedom is essential to the preservation of a free society and a creative culture; and*

*WHEREAS, the National Endowment for the arts project The Big Read is designed to restore reading for pleasure as a central part of American culture and to encourage discussion about books containing themes of interest to communities, and*

*WHEREAS, The Big Read project in Washington County is centered on the reading and discussion of Fahrenheit 451, by Ray Bradbury;*

*NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Washington County, Virginia that the Board encourages County residents' participation in The Big Read from October 1, 2007 through November 30, 2007, and be it further*

*BE IT FURTHER RESOLVED that the Board of Supervisors encourages free people to read freely, now and forever.*

*The vote on this motion was as follows: (6-1)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Nay</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

c. Authorization of Bid for Construction of Hayter's Gap Branch Library Expansion and Renovation

Mr. Scott Wilson, Project Manager for Thompson+Litton, provided the Board with an update on the expansion project at the Hayter's Gap Branch Library. Mr. Wilson explained that the plans and specifications for the project were complete. He said that basically the size of the existing library is being doubled. There will be a dedicated entrance into the Library so that the entire building does not have to be opened in order to access the library. The library space will become a more user friendly environment and the expansion will provide flexibility when moving around the library. Mr. Wilson further explained that he hopes to advertise for bids for this project on October 7 then receive bids on November 8. The bid results will be submitted to the Board of Supervisors for their approval. Hopefully construction will begin around the first of December and take approximately four months to complete. He asked the Board for permission to proceed with advertising for bids. Mr. Price stated that he is glad the Hayter's Gap Library will become self contained.

*On motion of Mr. Price, second by Mr. Rector, it was resolved to authorize advertising for bids for the Hayters Gap Branch Library Expansion and Renovation Project.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>

Mr. Reynolds Aye

**7. Consideration of Approval of FY 07-08 Performance Contract between Highland Community Services Board and Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services**

Highlands Community Services Executive Director Jeff Fox presented the Board with the FY 2007-08 Performance Agreement between Highlands Community Services Board and the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services. Mr. Fox explained that the Highlands Community Services Board has approved the Performance Contract and that State Code requires approval by the City of Bristol, VA and Washington County. He further explained that the document speaks to the responsibilities and services that Highlands Community Services provides to the mentally ill, mentally retarded and substance abuse population. This year Highlands Community Services will serve about 3,700 clients at a cost of \$10,800,000.00. Mr. Fox thanked the Board for their continued support. Discussion ensued among the Board.

*On motion of Mr. Owens, second by Mrs. Mumpower, the Board acted to approve the proposed FY 2008 Performance Contract between Highland Community Services Board and Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services and to act as its own fiscal agent.*

*The vote on this motion was as follows: (7-0)*

Mr. McCall Aye  
Mr. McCrady Aye  
Mrs. Mumpower Aye  
Mr. Owens Aye  
Mr. Price Aye  
Mr. Rector Aye  
Mr. Reynolds Aye

*Scrivener's Note: The FY 2008 Performance Agreement referenced above is included as Minutes Exhibits Item 2007-07-10-A.*

Responding to an inquiry from the Board, Mr. Fox provided a status report on the construction of their new facility at The Campus in Abingdon. He reported that construction was on schedule and that Highlands Community Services should be ready to move into their new facility by April of next year.

**8. Consideration of Appointments to Highlands Community Services Board**

The Board asked Jeff Fox if he would recommend a replacement for Karen Cox who recently resigned as a member of Highlands Community Services Board.

*On motion of Mr. Owens, second by Mr. Price, it was resolved to reappoint Claudia Duffy for a three-year term on the Highlands Community Services Board expiring June 30, 2010.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

## 10. Recess

The Board took a recess at this time.

## 9. Presentation Concerning New Telephone System for County Administration

Information Systems Manager Nadine Culberson presented the Board with a presentation on the new phone system being installed in the Administrative Division by Bristol Virginia Utilities. The County now has new phones, new telephone numbers and new services. Mrs. Culberson showed the Board a picture of the new phone sets on individual desks in the County Administration Building and at the Valley Street Offices. There are expanded sets being used on the desks of Naoma Mullins, Carol Barrett and Vicky Henderson so that they are able to see who is on the line in the whole building. This assists them when they are transferring calls and they will be able to offer better customer service. A new conferencing phone has been installed in the executive board room. All conference rooms are now outfitted with conference calling systems so that participants in a conference call will be able to hear and speaker phones will not have to be used. She explained that the biggest impact of the new telephone system is the number change. The new exchange for the county is now "525" instead of "676." The main County number is now 525-1300. The County has reserved 100 numbers with each department being assigned ten numbers. Mr. Rector asked if the new main number was a local call. Mrs. Culberson replied that it would be a local call. She explained that the County would continue to use the "800" number and the Bristol exchange. The old County numbers will remain in effect until the end of this year. Mr. Reeter explained that the main County number would be a local call if the caller was a BVU Optinet Centrex customer. He further explained that a County wide local call could not be done through Sprint or BVU. Again, if a caller is a BVU Optinet Centrex customer then they could dial the new number toll free. However, if a caller is a Sprint customer then they still have the option of dialing the two Bristol exchanges of which one goes to the Building and Zoning Department and the other to the County Administrator's Office. Mrs. Culberson explained that the County has enough options that all County residents could call the County Offices without making a long distance call. She further explained that the people in the Saltville area can use the "800" number.

Mrs. Culberson reviewed the new services offered with the new emergency operations center at the Valley Street Building. The building was wired to have additional lines put in with phones that are in a closet and not to be used except for the emergency operations center. If the new system had to be set up quickly five phones could be put online within about 15 minutes. The phones will be powered by the Valley Street generator. She explained that Mr. Reeter has requested that five computers be available which will be accomplished by using surplus computers. This will offer the fire and rescue organizations a cd of the County's Geographical Information Systems website which will be updated quarterly. Mr. Rector asked if the 911 operations would be affected by the new system. Mrs. Culberson stated that the

911 operations would not be affected. She further explained that once the emergency operations center is setup that County Emergency Services Coordinator Mary Fraysier would be coordinating drills.

Mrs. Culberson stated that in all the new County phone system allows for better customer service. Mr. Reeter explained that the new main County number would have a message during holidays stating that offices are closed. Discussion ensued among the Board.

In another matter, Mr. McCrady asked Mrs. Culberson to talk about her invitation to appear before the Commonwealth of Virginia's Secretary of Technology. Mrs. Culberson explained that Secretary of Technology Aneesh P. Chopra made a visit to the County Information Systems Department a couple of months ago. Mr. Chopra was in Russell County reviewing the Northrop Grumman installation that will be a hot site for disaster recovery in the state. His staff called and asked if they could make a visit. They had heard about some of the things Washington County was doing with GIS and public safety and some of the ways we were using computers. The Secretary wanted to see first hand. She explained that arrangements were made for Jack Davidson with the Sheriff's Department to bring a patrol car so that the County could showcase one of the installations in the cruiser. Mr. Chopra was very impressed with what Washington County was able to do. He had a lot of questions about the costs of the things that were shown to him and about how they were done. Mrs. Culberson explained that Mr. Chopra invited her to be part of a panel on the Commonwealth of Virginia's Information Symposium held last week just outside of Washington, D.C. Washington County was the only local government south of Suffolk that was invited to participate on any of the panels. This was quite an honor for Washington County. She further explained that a presentation was made on Washington County and how technology is being used. A primary question from the audience was how does a County your size get this much done. She explained that it was due to tremendous team effort in the County, a good governing body that catches the vision and supports the projects then requires accountability for the money spent. Washington County does not accept failed projects. The projects are managed like a business. The County has good Constitutional Officers and a great staff. People do not try to find stumbling blocks instead try to be part of the solution. This sets Washington County apart. Discussion ensued among the Board. Responding to an inquiry, Mrs. Culberson explained that the Secretary of Technology asked the County to come up with a project that we would partner with the State. It took about a month to come up with a project to send to the Secretary. It's very prestigious to have been asked to partner with the State on a project, but if it is not a win for Washington County then it is not worth it. It needs to be a project that brings something to the table for Washington County. Five projects that are on the County's list of projects for the next three years were submitted to the Secretary of Technology, he was told where the projects stood and what needed to be done to make the projects viable and how the County felt the State could help. Mr. Reynolds stated that the Board appreciates the dedication of Mrs. Culberson and her staff. The County has the number one Information Systems Department in the State. Mrs. Culberson was asked to keep the Board updated on the progress with the Secretary of Technology.

## **11. County Administrator Reports:**

- a. Proposal for New Board Committee Structure and New FY09 Budget Preparation Calendar Approval

Mr. Reeter presented the Board with a proposal for a restructuring of the Board's various committees for consideration beginning Calendar Year 2008. He explained that he would not provide a detailed review of the proposal at this time. An outline of the proposal is included in the Agenda materials. In November, when the Board begins to look at organization for the new calendar year the new proposal

could be discussed in more detail and if the Board thought the proposal had merit then the new committee structure could be set up so that the organizational meeting would reflect the new committees. The following are highlights of the proposal for the new Board Committee Structure:

- Proposed implementation in Calendar Year 2008.
- Consolidation of current 8+ Board Committees into 4 “Standing” Committees:

Budget & Finance Committee – replaces the current Joint School Budget Study Committee  
 Community & Economic Development Committee – replaces the current City-County Relations, Joint Utilities, Joint Land-Use Ordinances and Joint Parks & Recreation Committees  
 Public Safety & Welfare Committee – Replaces current Emergency Services Committee  
 Personnel & Operations Committee – Replaces current Personnel and Facilities Committees

Scope of each Standing committee is expanded; elimination of ad hoc or “single-issue” committees. All issues where committee input is desired will be directed to one or more of these four (4) new committees.

Three (3) board members for all Standing Committees to be initially appointed at January 2008 Board Organizational meeting; thereafter one (1) new Committee member appointed to each Committee annually.

All Committee members will serve initial terms of one (1), two (2), and three (3) years on each Committee (to be decided by Committee members themselves).

Board members may be appointed to no more than two (2) Committees each year.

Committees have automatic rotating Chairs serving one (1) year each based on Committee seniority beginning 2010, Chairs for 2008 and 2009 decided by Committee members themselves.

Committee Chairs rotate to another Committee after one-year chairmanship.

Generally, Board members will serve at least one (1) year on each Committee during a four (4) year term. Chairs shall regularly present Committee activity reports and Committee recommendations at full Board meetings (as needed but no less than every other month).

Each Committee shall establish a regular monthly meeting date; no Committee shall establish its regular meeting date on the date of regular Board meetings.

Substantial discussion ensued among the Board. A primary issue discussed was the proposed budget and finance committee and the importance of full board participation in the budget process. Board members felt that more time was needed to review the proposal before taking action.

Mr. Reeter reviewed the FY 2008-2009 County Operating Budget calendar. He noted that the presentation of the revenue estimates to the Board was placed back on the calendar as a recessed meeting and then at the regular meeting that follows the Board would receive the proposed and recommended County Administrator’s Operating Budget. Mr. Reeter stated that he needs the Board to make a decision about testing the accelerated budget process so that notices can be sent out by the Department of Accounting to agencies, departments and organizations providing ample notice of the new Calendar.

Discussion ensued among the Board. A primary issue discussed was requesting more financial information such as financial statements from organizations submitting budget requests to the County.

*On motion of Mr. McCall, second by Mr. Price, the Board acted to approve the new County Operating Budget Calendar for FY 2008-2009.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

Mr. Reeter reviewed the language that would be included in the notices to the departments, agencies and organizations and asked if the language was okay with the Board. Board members stated they did not have a problem with the language in the notice.

b. Declaration of Surplus Vehicles of Washington County Sheriff’s Office

Mr. Reeter explained that the Board is requested to designate the list of vehicles as surplus so that the General Services Department can reassign the vehicles to other County Departments and Agencies. The Board will be provided with a list of requests for surplus vehicles from outside agencies at their October 9 Board meeting. Discussions ensued among the Board. Mrs. Mumpower stated that Washington County Fire and Rescue has requested a vehicle.

*On motion of Mr. Owens, second by Mr. Price, the Board acted to declare motor vehicles surplus as recommended.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

**12. County Attorney Reports:**

a. Request for Board Authorization to Schedule Public Hearing on Plat Vacation

Ms. Phillips explained that she is asking for authorization from the Board to draft an ordinance and schedule a public hearing on a proposed ordinance to vacate a lot from a recorded subdivision plat to allow a single division of the lot. The subdivision is Abingdon Heights, located off of Wyndale Road in

the Wilson Magisterial District. A duplex has already been built on the lot and the developer wishes to divide the lot to allow sale of the duplex as two separate properties.

*On motion of Mrs. Mumpower, second by Mr. McCall, the Board authorized the County Attorney to proceed in accordance with her request.*

*The vote on this motion was as follows: (6-1)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Nay</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

In another matter, Ms. Phillips explained that at a prior meeting the Board authorized a public hearing to hear the request of Mr. John Walsh. This public hearing will be advertised at the time as the above referenced matter.

**12.b. Placement of Billboards in the Business, General Zoning District**

Ms. Phillips explained that applications have recently been received for placement of signs and billboards for general business advertisements along Lee Highway and I-81. With the increasing commercialization in the County, it is probable that more applicants for such signs will be received. The current provisions of the County Zoning ordinance do not restrict the ability of landowners to place signs and billboards in the Business, General B-2 Zoning District of the County. Presently, all types of signs are permitted use by right in the B-2 District. The County Land-Use Ordinance Committee has reviewed this issue at their September 20 meeting and recommends that the Board consider requests for placement of signs and billboards falling under the category of location and general advertising signs as defined in the County Zoning Ordinance to ensure that they are not placed in locations or in number so as to create a detrimental effect on the surrounding properties. Identification and business signs as defined would remain permitted uses by right in the B-2 District. Amending the County Zoning Ordinance to subject location and general advertising signs as defined to Special Exception Permit prior to allow their placement would create opportunity for Board review. Discussion ensued among the Board. Mr. Rector asked if someone had contracts for signs in a B-2 District prior to the proposed amendment being approved if they could go forward with installing the signs. Ms. Phillips explained that all applications for billboards are subject to VDOT review and approval, and if VDOT approves the applications then the individual could proceed with installation of the signs. Mr. McCrady inquired if the County could do away with permitting billboards all together. Ms. Phillips explained that she would have to check into Mr. McCrady’s question. The Board discussed the proposed October 16 joint meeting with the Washington County Planning Commission and about having two different ordinances drafted; one ordinance drafted as presented tonight and a second ordinance drafted to prohibit all billboards.

*On motion of Mr. McCall, second by Mr. Owens, the Board acted to authorize the County Attorney to proceed with drafting an ordinance to amend the County Zoning Ordinance as presented and further to draft a second ordinance that would prohibit all billboards. The Board further acted to schedule a*

*joint recessed meeting with the Washington County Planning Commission for October 16, 2007, at 6:00 PM to review the ordinances.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

In another matter, Ms. Phillips distributed copy of a proposed order submitted to Judge Kirksey on a Virginia Freedom of Information Act Case in 2004 where Patrick Mannix asked for copies of Richard Cranwell's bills for the annexation case. She explained that on the advice of Mr. Cranwell the bills were held as attorney/client privileged information. The County appealed the FOIA case to Circuit Court. Judge Kirksey submitted an opinion and ruled that the bills are public information and needed to be disclosed except for some language deemed as attorney/client privileged information. He marked this information. Ms. Phillips stated that Judge Kirksey directed her to prepare an order for his entry and to provide copies of the bills to Mr. Mannix within ten days. She advised the Board that Mr. Mannix had been provided with the redacted bills.

**13. Board Information**

Mr. Reeter reviewed the following Board Information:

- Capital Contact article – *Aid to Localities on the Chopping Block as State Faces Budget Cuts*

**14. Consent Agenda**

Mr. Seamon addressed the Board concerning the upcoming fiscal year budget process. He asked the Board to let him now by the first of November when letters would be sent to departments, agencies and organizations if they would like to request additional materials to support budget requests.

*On motion of Mr. Owens, second by Mr. McCall, it was resolved to approve the following consent agenda items:*

- a. Payment of Bills – August 2007*
- b. Revenue Refunds – Animal Sterilization Fees*
- c. Revenue Refunds – Building Permit Fee and Rezoning Application Fee*
- d. Budget Status Reports for August of 2007*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

**15. Board Member Reports**

Mr. Reynolds reported that on the inaugural ceremony for the new president of Emory & Henry College held on September 21. He explained that the event was very well attended. The new president is very congenial and stated that if the County had any committees that she, staff or students could participate with that they would be glad to do so.

Mr. McCall reported on the ribbon cutting ceremony held for the Abingdon Farmers Market on September 21.

**16. Closed Meeting(s):**

- a. Request for Closed Meeting pursuant to Virginia Code Section 2.2-3711(A)(5) for discussion concerning prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community; specifically two prospective industries proposed for location in the County's industrial parks**

*On motion of Mrs. Mumpower, second by Mr. Rector, the Board acted to convene in Closed Meeting pursuant to Virginia Code Section 2.2-3711(A)(5) for discussion concerning prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community; specifically two prospective industries proposed for location in the County's industrial parks. It was further resolved to included County Administrator Mark Reeter, County Attorney Lucy Phillips and Assistant County Administrator Christy Parker in the closed meeting.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

*After returning to the meeting, the Chairperson noted that upon motion of Mr. Rector, second by Mr. Owens, and favorable vote, the Board of Supervisors reconvened in open meeting. The Chairperson called for any participant in the closed meeting(s) who believed that there was a departure from the requirements of the Virginia Freedom of Information Act during the closed meeting(s), to state the substance of the departure that they believed took place. No members of the Board responded to the Chairperson's call for statements.*

*On motion of Mr. McCrady, second by Mr. Rector, the members of the Board certified the closed meeting(s) in accordance with the requirements of the Virginia Freedom of Information Act. By vote in favor of this motion, each member certified that the closed meeting were conducted in conformity with Virginia law, and that only public business matters lawfully exempted from open meeting requirements and identified in the motion by which the closed meeting were convened were heard, discussed, or considered in the closed meeting.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

**17. Adjourn**

*On motion of Mr. Rector, second by Mr. Owens, it was resolved to adjourn.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>

\*\*\*\*\*

**Prepared by:**

---

Naoma A. Mullins, Recording Clerk

9-25-07 15011

**Approved by the Washington County Board of Supervisors:**

---

Kenneth O. Reynolds, Chairman