V I R G I N I A:

At a special called meeting of the Washington County Board of Supervisors held Tuesday, October 25, 2011, at 5:00 p.m., at the County Administration Building in Abingdon, Virginia the following were present:

PRESENT:

Dulcie M. Mumpower, Chair
Odell Owens, Vice Chair
Phillip B. McCall
Nicole M. Price
Kenneth O. Reynolds
Joseph C. Straten
Thomas G. Taylor

Mark K. Reeter, County Administrator
Lucy E. Phillips, County Attorney
Christianne E. "Christy" Parker, Director of Economic Development and Community Relations
Mark W. Seamon, Accounting Manager
Alicia Roland, Administrative Assistant

ABSENT:

Naoma A. Norris, Executive Assistant/Recording Clerk

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1. Call to Order

The special called meeting was called to order by Ms. Dulcie M. Mumpower, Chair of the Board, who welcomed everyone in attendance.

2. Approval of Agenda

On motion of Mr. McCall second by Mr. Owens, it was resolved to approve the agenda as presented.

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

Mr. McCall	***Aye***
Ms. Mumpower	***Aye***
Mr. Owens	***Aye***
Ms. Price	***Aye***
Mr. Reynolds	***Aye***
Mr. Straten	***Aye***
Mr. Taylor	***Aye***

3. Review of Correspondence from King College received October 17, 2011 relative to Paragraph 6 of the Agreement by and between the Town of Abingdon, Virginia, the County of Washington, Virginia and King College, Inc., Regarding Economic Incentives for a Medical School to be Established by King College in the Town of Abingdon dated September 16, 2011

County Attorney Lucy Phillips provided a review of the correspondence from King College.

Scrivener's Note: The letter referenced above is included as Minutes Exhibits Item 2011-10-25-1-A.

4. Discussion of and Final Decision Regarding Proposed Calendar Year 2011 $9.55 Million Bond Financing

Ms. Mumpower opened the floor for discussions on moving forward with bond financing in Calendar Year 2011.

Mr. Reeter presented a PowerPoint Presentation that explains the benefits, advantages and disadvantages of a Calendar Year 2011 bond financing. The presentation was originally presented at the September 12, 2011 joint meeting of the Board and Washington County Industrial Development Authority, with several new slides.

At this time, a conference call was held with Roland Kooch of Davenport & Company and Dan Siegel with Sands Anderson in order for the Board to ask questions about the proposed bond financing. After the conference call concluded, lengthy discussions ensued among the Board with the following action being taken on the Calendar Year 2011 bond financing:

On motion of Mr. Taylor, second by Mr. Reynolds, the Board acted to authorize staff to request Davenport & Company and Sands Anderson to prepare the documents necessary to proceed with the proposed bond issuance of $9.55 million in Calendar Year 2011, subject to opportunity for the Board to order discontinuance of the bond issuance at any time prior to December 1, 2011. The Board further acted to set a twenty year term on the medical school portion and a ten year term on the K-VA-T portion of the financing if the bond financing proceeds in the current calendar year.

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

Mr. McCall	***Aye***
Ms. Mumpower	***Aye***
Mr. Owens	***Aye***
Ms. Price	***Aye***
Mr. Reynolds	***Aye***
Mr. Straten	***Aye***
Mr. Taylor	***Aye***

Further actions of the Board were taken by consensus as follows:

1. The Board authorized Dulcie Mumpower to serve on the King College Medical School Steering Committee.

2. The Washington County Industrial Development Authority (IDA) has offered to pay the $1,000,000 local grant to K-VA-T before the end of this calendar year if the Board of Supervisors agrees to reimburse the IDA. The County Economic Development Committee recommended the following strategy: Should the $9.55 million bond financing not go forward in Calendar Year 2011, the Board should ask the IDA to fund the local grant of $1,000,000 to K-VA-T in the current calendar year, subject to the Board's immediate appropriation of $400,000 to the IDA and statement of intention, within constitutional limitations, to reimburse the IDA $400,000 over a period of two to three fiscal years. The Board, by consensus, tentatively accepted the Committee recommendation subject to official review and action on the proposal to be scheduled for a subsequent meeting of the Board, if necessary.

5. <u>Adjourn or Recess</u>

On motion of Ms. Price, second by Mr. Owens, it was resolved to adjourn the meeting.

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

Mr. McCall	***Aye***
Ms. Mumpower	***Aye***
Mr. Owens	***Aye***
Ms. Price	***Aye***
Mr. Reynolds	***Aye***
Mr. Straten	***Aye***
Mr. Taylor	***Aye***

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Prepared by:

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Naoma A. Norris, Recording Clerk (from audio of the Board Meeting)

Approved by the Washington County Board of Supervisors:

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Dulcie M. Mumpower, Chairman