BOARD OF SUPERVISORS
COUNTY OF NEW KENT
VIRGINIA

R-48-12

At the regular meeting of the Board of Supervisors of the County of New Kent in the Boardroom of the Administration Building in New Kent, Virginia, on the 9th day of October, 2012:

Present:	Vote:
Ron Stiers	Aye
Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
W. R. Davis, Jr.	Aye
James H. Burrell	Aye

Motion was made by Mr. Evelyn, which carried 5:0, to adopt the following resolution:

COUNTY OF NEW KENT, VIRGINIA

RESOLUTION PROVIDING FOR THE REFUNDING OF ALL OR A PORTION OF THE COUNTY'S REMAINING WATER AND SEWER REVENUE BOND, SERIES 2004

WHEREAS, on November 17, 2004, the County of New Kent, Virginia **(the "Local Government")** issued its $17,675,000 Water and Sewer Revenue Bond, Series 2004 dated as of October 17, 2004 **(the "Original Local Bond")** pursuant to a Trust Agreement between the Local Government and SunTrust Bank as trustee whose successor in interest is US Bank National Association **(the "Trustee")**, dated as of November 1, 2004 **(the "Original Trust Agreement")** and a First Supplemental Trust Agreement between the Local Government and the Trustee, dated as of November 1, 2004 **(the "First Supplemental Trust Agreement")** and sold the Original Local Bond to the Virginia Resources Authority **("VRA")** pursuant to a Financing Agreement, dated as of November 1, 2004, between VRA and the Local Government **(the "Original Financing Agreement")**; and

WHEREAS, VRA purchased the Original Local Bond with a portion of the proceeds of one of the series of VRA's Virginia Pooled Financing Program Bonds, its

$42,610,000 Infrastructure Revenue Bonds (Virginia Pooled Financing Program), Series 2004B (Non-AMT) **(the "VRA VPFP Bonds")**; and

WHEREAS, on August 2, 2012, the Local Government issued its $8,995,000 Water and Sewer Revenue Refunding Bond, Series 2012 pursuant to a Second Supplemental Trust Agreement between the Local Government and the Trustee, dated as of August 1, 2012 **(the "Second Supplemental Trust Agreement," together with the First Supplemental Trust Agreement and the Original Trust Agreement, hereafter referred to as the "Trust Agreement")** and sold the 2012 Local Bond to VRA pursuant to a Local Bond Sale and Amended and Restated Financing Agreement, dated as of August 1, 2012 **(the "2012 Financing Agreement," together with the Original Financing Agreement hereafter referred to as the "Financing Agreement"); and**

WHEREAS, VRA has advised the Local Government that the credit markets are currently favorable for the refunding of a portion of the remaining VRA VPFP Bonds **(the "Refunding Transaction")**, which may enable VRA to pass on annual debt service savings to the Local Government; and

WHEREAS, VRA will effect the Refunding Transaction through the issuance and sale of a series of refunding bonds issued under VRA's Virginia Pooled Financing Program **(the "VRA Refunding Bonds")**; and

WHEREAS, VRA has indicated that if the Local Government participates in the Refunding Transaction the most significant modifications required to the terms of the Original Local Bond and the Original Financing Agreement will be to reconcile the debt service payment and redemption provisions of the Original Local Bond with those of the VRA Refunding Bonds and such modifications will be embodied in amendments to the Original Local Bond and the Original Financing Agreement or the Financing Agreement or in replacements thereof and to a supplement to the Trust Agreement **(the "Local Refunding Documents")**; and

WHEREAS, unless otherwise defined each capitalized term used in this Resolution shall have the meaning given it in the Financing Agreement and the Trust Agreement;

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

1. **Agreement to Participate**. The Local Government's participation in the Refunding Transaction is hereby approved provided that (i) the minimum savings threshold to be realized by the Local Government shall be not less than three percent (3%) savings on a present value basis compared to the existing debt service on the outstanding Original Local Bond or portion thereof to be refunded in the maximum amount of $6,000,000 and (ii) the final maturity of the Original Local Bond as amended or replaced in the Refunding Transaction shall not be extended past the end of the fiscal year in which occurs the current final maturity of the Original Local Bond.

2. Authorization of Local Refunding Documents. The forms of the Local Refunding Documents are hereby approved. The Chairman and Vice Chairman of the Board, and the County Administrator **(each a "Local Representative")**, each of whom may act, are authorized to execute and deliver the Local Refunding Documents in such forms as will reflect and facilitate the Refunding Transaction within the parameters of this Resolution. The Clerk of the Board of Supervisors is authorized to affix the Local Government's seal on any such documents and attest or counter-sign the same.

3. Official Statement. The Local Government authorizes and consents to the inclusion of information with respect to the Local Government in VRA's Preliminary Official Statement and Official Statement, both to be prepared in connection with the sale of the VRA Refunding Bonds.

4. Other Actions. Each Local Representative is authorized to execute and deliver all certificates, documents, agreements and instruments and to take all such further action as they may consider necessary and desirable in connection with the refunding of all or a portion of the remaining Original Local Bond and the consummation of the Refunding Transaction, including the execution and delivery of such documents and the making of such elections as may be reasonably requested by VRA to maintain or establish a tax-favored status for the VRA Refunding Bonds.

5. Effective Date. This Resolution shall take effect immediately

Adopted this 9th day of October, 2012.

Rodney A. Hathaway
Acting County Administrator

James H. Burrell
Chairman

CERTIFICATION OF ADOPTION OF RESOLUTION

The undersigned Deputy Clerk of the Board of Supervisors of the County of New Kent, Virginia hereby certifies that the Resolution set forth above was adopted during an open meeting on October 9, 2012, by the Board of Supervisors with the following votes:

Aye: Stiers, Davis, Evelyn, Tiller, & Burrell

Nay: None

Abstentions: None

Signed this 10th day of October, 2012.

By: Connie C. Nalls
Deputy Clerk, Board of Supervisors