

MEMORANDUM

To: R. David Laurrell, County Administrator *R. David Laurrell* 1/22 BOS

From: Alan Lane, Director of Management Services

Subj. AGENDA ITEM - Bond Reimbursement Resolution Revised (5 minutes)

Date: January 22, 2008

BACKGROUND:

On May 7, 2007 the Board approved a Board Reimbursement Resolution allowing the County to reimburse itself from debt proceeds for expenditures paid directly by the County for three proposed capital projects as follows: Concord Elementary School additions and renovations; Master Plan Phase I for Courthouse and building complex renovations and additions; and, the Rustburg/Concord Waterline. That Board Reimbursement Resolution specifically mentioned debt funding from the VML/VACO Finance Program as that was the funding source that was anticipated at that time assuming the Board ultimately approved any or all of these three capital projects.

DISCUSSION:

The Board has subsequently approved the School project and the Waterline project. At this time Staff is still considering its options as to the most appropriate and cost effective long term financing method for any or all of the three capital projects. Staff recommends the Board approve a revised Reimbursement Resolution that would be effective with any of the short term or long term financing arrangement alternatives still under consideration. The revised Board Reimbursement Resolution is attached. The Board is not bound to undertake any of these projects by issuing this revised Reimbursement Resolution. Design fees have already been paid out for these projects and the Reimbursement Resolution allows the County to receive reimbursement for some of these expended costs and other costs if the projects proceed and are financed by a debt issuance.

RECOMMENDATION:

Staff recommends Board approval of the attached revised Reimbursement Resolution authorizing the County to reimburse itself from debt proceeds resulting from expenditures paid out directly by the County for the (1) Concord Elementary School additions and renovations, and for the (2) Rustburg/Concord Waterline, and for the (3)

Master Plan Phase I for Courthouse and building complex renovations and additions, if that third capital project is ultimately approved by the Board.

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF CAMPBELL COUNTY, VIRGINIA**

WHEREAS, the Board of Supervisors of Campbell County, Virginia (the “County”), has determined that there is a need to finance certain costs and expenditures associated with the design, construction, renovation, equipping and improving, as applicable, of various public facilities, additions and capital improvements in the County, including but not limited to (1) renovations and additions to Concord Elementary School and the extension of water lines and service thereto, (2) renovations and additions to the County Courthouse, and (3) the construction and equipping of certain new administrative and other governmental facilities in the County, in each case together with related costs and expenses (collectively, the “Project”);

WHEREAS, plans for the Project are moving forward, and the County has or expects to advance its own funds, and has or may enter into certain commitments for expenditures related to the Project, prior to securing financing for the Project;

WHEREAS, the County expects to receive reimbursement for such expenditures, and to finance the other costs of the Project, through the proceeds of a tax-exempt financing transaction undertaken in a manner to be determined later.

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

1. The County intends to utilize the proceeds of a tax-exempt financing, obtained by the County and/or in cooperation with a local industrial or economic development authority (the “Bonds”), in order to pay for the costs of the Project. It is determined to be necessary for the County to finance the costs of the Project, and the County approves of the submission of an application for financing.

2. As of the date hereof, the estimated cost of the Project to be financed through the issuance of the Bonds is approximately \$35,000,000, plus costs of issuance and related expenditures. Notwithstanding the foregoing, the Bonds will be issued only after the Board of Supervisors of the County (the “Board”), has approved, pursuant to a subsequent resolution adopted by the Board, certain parameters or specific details with respect to the principal amount, maturity date, interest rate or rates and other final terms and conditions of the Bonds, and forms of the financing documents to be prepared in connection with the issuance and sale of the Bonds.

3. To the extent applicable and necessary, in adopting this resolution the Board intends to evidence its “official intent” to reimburse Project expenditures with proceeds from the issuance of the Bonds within the meaning of Treasury Regulations Section 1.150-2 promulgated by the Internal Revenue Service pursuant to the Internal Revenue Code of 1986, as amended (the “Code”), to the extent such expenditures are reimbursable under the Code.

4. The County Administrator, the Chairman of the Board, the County Director of Finance, and such officers, employees and agents of the County as they may designate, are authorized and directed to take such further actions and to execute and deliver any and all instruments, certificates and other documents required to carry out the purposes of this Resolution, and all prior acts by such representatives that are in conformity with the purposes and intent of this Resolution are hereby approved and ratified.

5. This Resolution shall take effect immediately.

CERTIFICATE

The undersigned Clerk of the Board of Supervisors of Campbell County, Virginia hereby certifies that the foregoing is a true, correct and complete copy of a resolution duly adopted by a majority of the members of the Board of Supervisors of Campbell County, Virginia present and voting during the meeting duly called and held on January 22, 2008, and that such resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof. A summary of the members present or absent at such meeting, and the recorded vote with respect to the foregoing resolution, is set forth below:

MEMBER NAME	VOTING				
	PRESENT	ABSENT	YES	NO	ABSTAINING
Stanley I. Goldsmith	_____	_____	_____	_____	_____
J.D. Puckett	_____	_____	_____	_____	_____
Eddie Gunter, Jr.	_____	_____	_____	_____	_____
Hugh T. Pendleton, Jr.	_____	_____	_____	_____	_____
Hugh W. Rosser	_____	_____	_____	_____	_____
Steven M. Shockley	_____	_____	_____	_____	_____
Charles W. Falwell	_____	_____	_____	_____	_____

WITNESS my hand and the seal of the County this ____ day of January, 2008.

Clerk, Board of Supervisors of Campbell
County, Virginia

(SEAL)