

VIRGINIA:

A meeting of the Lancaster County Board of Supervisors was held in the Administrative Building Board/Commission Meeting Room of said county on Monday, December 14, 2015.

Members Present: Jason D. Bellows, Chair
F. W. Jenkins, Jr., Board Member
William R. Lee, Board Member
B. Wally Beauchamp, Board Member

Absent: Ernest W. Palin, Jr., Vice Chair

Staff Present: Frank A. Pleva, County Administrator
Don G. Gill, Planning and Land Use Director
Crystal Whay, Building/Land Use Secretary

Mr. Bellows called the meeting to order at 7:00 p.m.

PUBLIC INPUT

Mr. Charlie Costello, a District 2 citizen, stated that the Save the Rappahannock Coalition needed all the support that it can get to ensure that the towers are not erected by Dominion Virginia Power across the Rappahannock River.

Mr. Gary Hooper, an Irvington resident, explained his connection to the Northern Neck and stated that Lancaster County needed to pay attention to its future sustainability. He stated that Lancaster County’s population has decreased, while the population of the Commonwealth has increased. He stated that he had learned that the population of citizens 65 and older in Lancaster County has increased to 35 percent as compared to 14 percent at the state level.

Mr. Hooper stated that he had heard that the community was driven by a retirement economy, but in reality, the County does better with a tourism economy. He explained how good tourism dollars were for the County. He stated that he had heard from both sides of the tower issue and thinks it is important to support the “no towers” opinion because it is important to make a good first impression when people cross the bridge to come into the County. He stated that private citizens had been financially supporting the effort and he would like to see the County financially support it as well.

Mr. Bellows stated that since Mr. Palin was absent, the Board was going to postpone the Organizational Meeting until the regular January meeting.

PRESENTATIONS

None.

VIRGINIA DEPARTMENT OF TRANSPORTATION

None.

PUBLIC HEARING

1. Resolution Authorizing the Issuance of a Revenue Bond (Not to Exceed \$170,000) to be sold to USDA to Finance a Portion of the Costs of Providing Sewer Service to the Greentown/Gaskins Road Area

Mr. Pleva stated that the public hearing is being held in accordance with the Code of Virginia, 1950, as amended. He referred to the Greentown/Gaskins Road project and stated that the housing portion is largely funded through federal money that is passed through the Virginia Department of Housing and Community Development and the sewer system is primarily funded through the United States Department of Agriculture. He stated that there was \$511,000 in grant money from the USDA and the loan portion is \$170,000. He stated that the loan had a 2 percent interest rate over 40 years. He stated that the agreement contains provisions if the County would like to pay it off early and the first few years of the loan will just be interest payments only.

Mr. Pleva stated that Dan Siegel of Sands Anderson had prepared the resolution. He stated that he had received no comment from the public on the proposed resolution and that one of the requirements of the USDA loan is the approval of the resolution from the Board of Supervisors.

Mr. Bellows opened the public hearing.

There was no public comment.

Mr. Bellows closed the public hearing.

Mr. Lee made a motion to Adopt the Resolution Authorizing the Issuance of a Revenue Bond not to Exceed \$170,000 to be sold to USDA to Finance a Portion of the Costs of Providing Sewer Service to the Greentown/Gaskins Road Area.

A RESOLUTION OF THE COUNTY OF LANCASTER, VIRGINIA

**AUTHORIZING THE ISSUANCE AND SALE OF A \$170,000 SEWER REVENUE
BOND, SERIES 2015 AND PROVIDING FOR THE FORM, DETAILS AND
PAYMENT THEREOF**

WHEREAS, the County of Lancaster, Virginia (**the “County”**) is authorized to acquire, construct, operate and maintain sewer systems in the County (**the “System”**); and

WHEREAS, the County is authorized pursuant to the Public Finance Act, Chapter 26 of Title 15.2 of the Code of Virginia of 1950, as amended (**the “Act”**) to borrow money and to issue its revenue bond to pay all or part of the cost of the System; and

WHEREAS, the Board of Supervisors of the County (**the “Board”**) has determined to improve the System located in the County and that to do so it is necessary to issue its Sewer Revenue Bond, Series 2015 (**the “Series 2015 Bond”**) in the amount of One Hundred Seventy Thousand and 00/100 Dollars (\$170,000), the proceeds of which, together with other available funds, are estimated to be sufficient to pay the cost of the Project hereinafter authorized; and

WHEREAS, the United States of America, acting through Rural Development and/or Rural Utilities Service (formerly Farmers Home Administration), has offered to purchase the Series 2015 Bond upon certain terms and conditions; and the County, after consideration of the condition of the municipal bond market, has determined to satisfy such terms and conditions, to authorize and issue its Series 2015 Bond, and to award the sale of the Series 2015 Bond to the United States of America; and

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY
OF LANCASTER, VIRGINIA, AS FOLLOWS.

ARTICLE I.

DEFINITIONS

Section 1.1 Definitions. Whenever used in this resolution, unless a different meaning clearly appears from the context:

(a) **“Act”** shall mean the Public Finance Act (Chapter 26, Title 15.2, Code of Virginia, 1950, as amended).

(b) **“Additional Bonds”** shall mean any bonds issued pursuant to Article VI and secured on a parity with the Bonds by a pledge of the Net Revenues.

(c) **“Bondholder”** shall mean the holder or owner of the Bond.

- (d) **“Board”** shall mean the County Board of Supervisors.
- (e) **“Bonds”** shall mean the Series 2015 Bond and any Additional Bonds.
- (f) **“Certified copy”** shall mean a copy of a resolution or other paper certified by the Clerk of the Board, or by any other authorized County official.
- (g) **“Chairman” or “Chair”** shall mean the Chairman or Vice Chairman of the Board.
- (h) **“Closing Date”** shall mean the date on which the Series 2015 Bond is delivered to the United States upon payment of the purchase price therefor.
- (i) **“Consulting Engineer”** shall mean such engineering firm or individual engineer as may be employed by the County as Consulting Engineer in accordance with Section 8.6.
- (j) **“Costs”** shall mean the cost of improvements; the cost of all lands, properties, rights, easements and franchises acquired and the cost of all conveyances in fee simple of the County’s title thereto and leased thereof; the cost of preparing the land; the cost of impact fees to host jurisdictions; the cost of all labor, machinery, equipment and furnishings; financing and credit enhancement charges; interest prior to and during construction and for one year after completion of construction; cost of engineering and legal services, plans, specifications, surveys, estimates of costs and revenues; any deposit to any bond interest and principal reserve account; start-up costs and start-up operating capital; other expenses necessary or incident to the determining of the feasibility or practicability of any such acquisition, improvement or construction; administrative expenses and such other expenses as may be necessary or incident to the financing hereby authorized, or to the acquisition, improvement or construction of the Project.
- (k) **“County”** shall mean the County of Lancaster, Virginia.
- (l) **“Debt Service Reserve Fund”** shall mean the fund of that name created pursuant to Section 5.4 hereof and held by the County to be used as permitted pursuant to that section.
- (m) **“Fiscal year”** shall mean the twelve-month period beginning on July 1 of one year and ending on June 30 of the following year.
- (n) **“Government”** shall mean the United States of America, its successors and assigns, acting by and through Rural Development and/or Rural Utilities Service, each an agency of the United States Department of Agriculture.
- (o) **“Gross Revenues”** shall mean all revenues, income, and receipts derived or received by the County from the operation and ownership of the System,

including the interest income from the investment or deposit of money in any fund created by this resolution or a supplemental resolution in connection with the System, plus any other money from other sources pledged by the County to the payment of the Bonds, but “Gross Revenues” shall not mean or include any impact fees or developer fees charged by the County for the construction of capital improvements or extensions to the System.

(p) **“Letter of Conditions”** shall mean that certain Letter of Conditions, dated May 10, 2012 from the United States to the County setting forth conditions and requirements for the issuance of the Series 2015 Bond and any supplements thereto.

(q) **“Net Revenues”** shall mean Gross Revenues less Operating Expenses.

(r) **“Operating Expenses”** shall mean the reasonable and necessary expenses of operation, administration, maintenance and repair of the System, excluding any allowance for depreciation, the deposits or transfers to the Debt Service Fund or the Reserve Fund established in Section 4.3, and expenditures for capital improvements or extensions to the System.

(s) **“Project”** in the context of this resolution shall mean the renovations and improvements to the County’s sewer system located in the County substantially as described on Exhibit A, attached hereto.

(t) **“Recovery Act Requirements”** shall mean the requirements of the American Recovery and Reinvestment Act of 2009 as set forth in the Letter of Conditions, if any.

(u) **“System”** shall mean the County’s sewer system and all additions, extensions and enlargements thereof and any sewer project or projects that may be duly authorized by the County and made a part of the System.

(v) **“County Administrator,” “Chairman,” “Vice Chairman,” or “Treasurer”** shall mean, respectively, the persons holding such offices of the County.

Section 1.2 Other Definitions. Words defined elsewhere in this resolution shall have the meanings therein provided.

Section 1.3 Rules of Construction. Unless the context clearly indicates to the contrary, words importing the singular number shall include the plural number and vice versa.

ARTICLE II.

**AUTHORIZATION OF PROJECT, SUPPLEMENTAL
RESOLUTION**

Section 2.1 The Project. In order to provide improvements to the sewer facilities serving the County, the acquisition, construction and equipping of the Project are hereby authorized.

Section 2.2 Modification of Project. The Project authorized hereby may be modified by the County; provided, however, that any such modification shall first have been approved by the Government and recommended in writing by the Consulting Engineer.

Section 2.3 Project Made Part of System; Pledge of Revenues. All improvements, extensions, additions and replacements constituting the Project financed in part or in whole by the issuance of the Series 2015 Bond shall be a part of the System and all Net Revenues are pledged to the equal benefit of the owners of the Series 2015 Bond, but such revenues are not pledged to the benefit of the owners of any other bonds issued by the County except and to the extent expressly set forth therein and permitted under this Resolution.

ARTICLE III.

**AUTHORIZATION, FORM, EXECUTION, DELIVERY
AND REGISTRATION OF SERIES 2015 BOND**

Section 3.1 Authorization of Series 2015 Bond. There is hereby authorized to be issued a revenue bond of the County in the principal amount of One Hundred Seventy Thousand and 00/100 Dollars (\$170,000) to provide funds to finance, in part, the cost of the Project. The Series 2015 Bond shall be designated the "County of Lancaster, Virginia, Sewer Revenue Bond, Series 2015."

Section 3.2 Details of the Series 2015 Bond. The Series 2015 Bond shall be issued as one fully registered bond (registered as to principal and interest) without coupons, shall consist of a Bond in the denomination of \$170,000 numbered R-1, shall be dated as of the Closing Date and shall bear interest on the unpaid principal balance at the rate of 2.000% per year (or such greater or lesser rate as may be agreed to by the Government, subject to a maximum rate of 4.00%). Interest only shall be paid during the first twenty four (24) months after closing, such interest being payable annually on the first and second anniversary dates of the Closing Date. Thereafter payment for the remaining 456 months of principal and interest shall be made in equally amortized monthly installments which, if the interest rate is 2.00% per annum, such installments shall be in the amount of Five Hundred Thirty-Four and 00/100 Dollars (\$534.00) thereafter for a period of thirty-eight (38) years, until paid. If not sooner paid, the final

installment shall be due and payable on the fortieth anniversary of the Closing Date of the Series 2015 Bond in 2055. Each payment shall be applied first to interest accrued to the payment date and then to principal. If the Closing Date actually occurs on the 29th, 30th or 31st day of a month, then the closing date for purposes of this paragraph shall be deemed to be the 28th day of such month.

Installments of principal may be prepaid at the option of the County as a whole or in part, without premium (but if in part, in inverse chronological order) on any interest payment date, upon not less than thirty nor more than sixty days' notice forwarded by registered or certified mail to the registered owner of this Bond at the address shown on the registration books maintained at the office of the Registrar, upon payment of the principal amount of installments to be prepaid and interest accrued to the date fixed for such prepayment, without premium, by check or draft mailed to such owner at such address.

At the request of the Government, the Series 2015 Bond may be delivered as a fully registered bond in the alternative form contained herein providing for principal advances to be made from time to time by the Government in an aggregate amount not to exceed \$170,000. An authorized officer of the Government shall enter the amount and the date of each such principal advance on the Certificate of Principal Advances attached to the Series 2015 Bond when the proceeds of such advance are delivered to the County. Each such principal advance shall bear interest from the date of such advance so entered on the certificate.

Section 3.3 Execution of the Series 2015 Bond. The Series 2015 Bond shall be signed by the manual signature of the Chairman or Vice Chairman of the Board and the County seal shall be affixed thereto and attested by the Clerk or Deputy Clerk of the Board of the County.

Section 3.4 Form of the Series 2015 Bond. The Series 2015 Bond shall be in substantially the following form:

No. R-1

\$170,000

UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
COUNTY OF LANCASTER
Sewer Revenue Bond, Series 2015

Registered Holder: United States of America

Principal Sum: One Hundred Seventy Thousand and 00/100 Dollars

Date: _____, 2015

The County of Lancaster, Virginia (**the “County”**), a political subdivision of the Commonwealth of Virginia, for value received, hereby promises to the United States of America, or registered assigns, a sum equal to the amount of principal advances made hereunder but not to exceed the sum of

**ONE HUNDRED SEVENTY THOUSAND AND 00/100 DOLLARS
(\$170,000)**

and to pay to the registered owner hereof interest on the unpaid principal from the date hereof until payment of the entire principal sum at the rate of [2.000%] per year (or such lesser rate as may be agreed to by the Government). Interest only shall be paid during the first twenty four (24) months after closing, such interest being payable annually on the first and second anniversary dates of the Closing Date. Thereafter payment for the remaining 456 months of principal and interest shall be made in equally amortized monthly installments of [Five Hundred Thirty-Four and 00/100 Dollars (\$534.00)] commencing on _____, _____ and thereafter for a period of thirty-eight (38) years, until paid, each payment to be applied first to interest accrued to such payment date and then to principal, and such final installment, if not sooner paid, to be due and payable forty (40) years from the date hereof in 2055. Installments of both principal and interest shall be payable in lawful money of the United States of America by check or draft mailed to the registered owner at its address as it appears on the registration books kept for that purpose at the office of the Treasurer of the County who was appointed as Registrar. This Bond shall be registered as to principal and interest. The final installment of principal shall be payable upon presentation and surrender hereof at the office of the Registrar.

This Bond has been authorized by a resolution adopted by the Board on December 14, 2015 (**“the “Bond Resolution”**), and is issued pursuant to the Public Finance Act (Chapter 26, Title 15.2, Code of Virginia, 1950, as amended) (**the “Act”**) and the Constitution of the Commonwealth of Virginia, to provide funds, along with other monies that may be available, to pay the cost of acquiring, constructing and equipping improvements to the County’s sewer system (**the “Project”**) located in the County. Copies of the Bond Resolution are on file at the office of the County Administrator of the County. Reference is hereby made to the Bond Resolution and any amendments thereto for the provisions, among others, describing the pledge and covenants securing this Bond, the nature and extent of the security therefor, the terms and conditions upon which this Bond is issued, and the rights and obligations of the County and the rights of the Bondholder(s).

Both principal of and interest on this Bond are payable from the revenues of the County's sewer system (**the "System"**) pledged thereto as herein set forth. Nothing herein or in the Bond Resolution shall be deemed to create or constitute an indebtedness of or a pledge of the faith and credit of the Commonwealth of Virginia or of any county, city, town or other political subdivision of the Commonwealth including the County. This Bond also is secured by a pledge of the revenues derived from the ownership and operation of the System.

THIS BOND IS PAYABLE FROM CERTAIN REVENUES TO BE DERIVED FROM THE OWNERSHIP OR OPERATION OF THE COUNTY'S SYSTEM AS THE SAME MAY FROM TIME TO TIME EXIST, ALL OF WHICH REVENUES HAVE BEEN PLEDGED PURSUANT TO THE BOND RESOLUTION TO SECURE THE PAYMENT THEREOF. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE BOND OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY, IS PLEDGED TO THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THE BOND OR OTHER COSTS INCIDENT THERETO.

Installments of principal may be prepaid at the option of the County as a whole or in part, without premium (but if in part, in inverse chronological order) on any interest payment date, upon not less than thirty nor more than sixty days' notice forwarded by registered or certified mail to the registered owner of this Bond at the address shown on the registration books maintained at the office of the Registrar, upon payment of the principal amount of installments to be prepaid and interest accrued to the date fixed for such prepayment, without premium, by check or draft mailed to such owner at such address.

Additional Bonds secured equally and ratably with this Bond may be issued from time to time under the conditions, limitations and restrictions set forth in the Bond Resolution to finance the cost of the completion of the Project, the acquisition or construction of improvements, extensions, additions and replacements to the System, one or more projects duly authorized by the County and made a part of the System, or to refund bonds of the County, or for any or all of such purposes.

This Bond is transferable only upon the registration books kept at the office of the Registrar by the registered holder hereof or by his duly authorized attorney, upon surrender of this Bond (together with a written instrument of transfer, satisfactory in form to the Registrar, duly executed by the registered holder or his authorized attorney, which may be in the form endorsed hereon) and subject to the limitations and upon payment of the charges, if any, as provided in the Bond Resolution, and thereupon as provided in the Bond Resolution a new Bond, in the aggregate principal amount and of the same series, interest rate and maturity as the Bond surrendered, shall be issued in exchange therefor.

The County and the Registrar shall deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to, and in the issuance of this Bond have happened, exist and have been performed.

This Bond shall not be valid or obligatory for any purpose unless the Certificate of Authentication hereon has been duly executed by the Registrar and the date of authentication inserted hereon. IN WITNESS WHEREOF, the County has caused this Bond to be signed by its Chairman or Vice Chairman, to be countersigned by its Clerk or Deputy Clerk of the Board, its seal to be affixed hereto and this Bond to be dated as of _____, ____.

COUNTERSIGNED:

Clerk of the Board of Supervisors of the
County of Lancaster, Virginia

Chairman of the Board of Supervisors of
the County of Lancaster, Virginia

(SEAL)

CERTIFICATE OF AUTHENTICATION

This Series 2015 Bond is the Series 2015 Bond described in the within mentioned Bond Resolution.

Treasurer
County of Lancaster, Virginia

TRANSFER OF BOND

Transfer of this Bond may be registered by the registered owner or his duly authorized attorney upon presentation hereof to the Registrar who shall make note of such transfer in its books kept by her for that purpose and in the registration blank below:

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Registrar</u>
_____	_____	_____
_____	_____	_____

CERTIFICATE OF PRINCIPAL ADVANCES

The amount and date of principal advances not to exceed the face amount hereof shall be entered hereon by an authorized officer of the United States of America, when the proceeds of such principal amounts are delivered to the County.

<u>Amount</u>	<u>Date</u>	<u>Authorized Signatures</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Schedule A

Principal Installments Paid in Advance of Maturity Date

Principal Due Date(s) Inclusive	Principal Payment <u>Amount</u>	Date	Balance	Date Paid	Signature of <u>Registrar</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Section 3.5 Exchange of Bond. The Treasurer of the County is hereby appointed Registrar. Transfer of the Bond shall be registered upon books maintained for that purpose at the office of the Registrar. Prior to due presentment for registration of transfer, the Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner. The Bond initially shall be registered as to principal and interest in the name of the United States of America, with an address of [Finance Office, USDA/Rural Development, 1520 Market Street, St. Louis, Missouri 63103-2696.]

Section 3.6 Delivery of the Series 2015 Bond. The Chairman or Vice Chairman and Treasurer are hereby authorized and directed to have the Bond prepared

and executed in accordance with the terms thereof and to deliver the Series 2015 Bond to the United States upon payment therefor. The Chairman or Vice Chairman and Treasurer are further authorized and directed to agree to and comply with, on behalf of the County, any and all further conditions and requirements of the United States in connection with its purchase of the Bond.

Section 3.7 Replacement of Mutilated, Lost or Destroyed Bond. Should the Bond become mutilated or be lost or destroyed, the County shall cause to be executed and delivered a new Bond of like date, number, series and tenor in exchange and substitution for, and upon cancellation of, such mutilated Bond or in lieu of and in substitution for such lost or destroyed Bond. Such new Bond shall be executed and delivered only when the owner has paid all reasonable expenses and charges in connection therewith and, in the case of a lost or destroyed Bond, has filed with the County and the Registrar evidence satisfactory to them that such Bond was lost or destroyed and that he was the owner thereof and the owner has furnished to the Registrar indemnity satisfactory to him; provided, however, that no surety on such indemnity shall be required from the Government.

ARTICLE IV.

PREPAYMENT OF BOND

Section 4.1 Prepayment Dates and Prices. Installments of principal at the option of the County, may be prepaid as a whole, or in part, without premium (but if in part, in inverse chronological order) on any interest payment date, upon payment of the principal amount of the installments to be prepaid and interest accrued to the date fixed for such prepayment, without premium.

Section 4.2 Manner of Effecting Prepayment. Prepayment of the Bond shall be effected in the following manner:

(a) The County shall approve prepayment of installments which are by their terms subject to prepayment and fixing a date for such prepayment.

(b) Not less than thirty nor more than sixty days prior to such prepayment date, the County shall cause a notice of such prepayment to be sent by registered or certified mail to the registered owner of the Bond to be prepaid at its address appearing on the registration books of the County. The notice of prepayment shall state the date fixed for prepayment, the place at which payment will be made and, if less than all of the Bonds or less than the entire principal of any single fully registered Bond shall be called for prepayment, the numbers of Bonds or installments of any single Bond to be prepaid.

(c) On or prior to the date fixed for prepayment the Registrar shall make available at his office the amount to be prepaid and accrued interest.

Section 4.3 Effect of Call for Prepayment. Upon compliance with the requirements contained in Section 4.2, the Bonds so called for prepayment in full shall become and be due and payable on the date fixed for prepayment, interest shall cease to accrue, such Bonds shall cease to be entitled to any benefit or security under this resolution and the registered owners of such Bonds shall have no rights in respect thereof except the right to receive payment of the prepaid installments of principal and accrued interest. The Bonds which have been duly called for prepayment in full and for payment of which moneys equal to the amount of all unpaid installments of principal and accrued interest shall be held in separate accounts by the paying agents in trust for the owners of the Bonds to be prepaid, all as provided in this resolution, shall not thereafter be deemed to be outstanding under the provisions of this resolution.

Section 4.4 Cancellation of Prepaid Bond. The Bonds so prepaid in full shall be cancelled upon surrender.

ARTICLE V.

REVENUES AND FUNDS

Section 5.1 Revenue Covenant. It is hereby covenanted and agreed with the holders of the Bonds that so long as any of the Bonds are outstanding the County will fix, charge and collect such rates, fees and other charges to users of or for the services furnished by the System and from time to time revise such rates, fees and charges so as to produce sufficient revenues in each fiscal year to equal an amount required to pay (i) the Operating Expenses which shall accrue become payable during the then current fiscal year, (ii) the amounts required by Section 3.2 to be paid during the then current fiscal year on debt service for the Bonds and (iii) the amounts required under Section 5.4 to fund or replenish the Debt Service Reserve Fund.

Section 5.2 Free Service; Enforcement of Charges.

(a) So long as the Series 2015 Bond is outstanding the County shall not permit connections to or use of the System or provide any services of the System without making a charge therefor; provided, however, that the County may supply water and sewer service to facilities on public property without making a charge.

(b) If any rates, fees or charges for the use of and for the services furnished by the System shall not be paid within 60 days after the same shall become due and payable, or within such shorter time as may be determined by the County, the County may at the expiration of such period disconnect the premises from the System or otherwise suspend service to such premises until such delinquent rates, fees or charges and any interest, penalties or charges for reconnection shall have been paid in full, unless the State Health Commissioner shall have found and shall certify to the County that suspending such services will endanger the health of the persons occupying such premises or the health of others.

(c) The County shall take all such action as may be necessary to perfect liens upon real estate for the amount of any unpaid rates, fees or charges described in paragraph (b) above or any unpaid connection charges or other charges so that such liens will be binding upon subsequent bona fide purchasers for valuable consideration without actual notice thereof.

Section 5.3 Pledge of Revenues. All revenues derived by the County from the use of and services furnished by the System are hereby pledged equally and ratably to the payment of the principal of and interest on the Bonds, subject only to the right to make application thereof to other purposes as provided herein.

Section 5.4 Debt Service Reserve Fund. On the first day of each month commencing in the first day of payment of the amortized amount for principal and interest, after making the payments required by Section 3.2, the County shall transfer an additional amount equal to ten percent (10%) of 1/12th of the annual debt service on the Series 2015 Bond ([\$54.00] or such lesser or greater amount as may be agreed to by the Government) to the Debt Service Reserve Fund held by the County until there has been accumulated and maintained therein [\$6,408] (one year's annual Debt Service, or such greater or lesser amount as may be agreed to by the Government) after which no further deposits shall be required except to eliminate any deficiency in the Debt Service Reserve Fund. The Debt Service Reserve Fund shall be used (i) with the prior written approval of the Government to make transfers to the extent necessary (a) to pay the Debt Service due on the Bonds in the event that Net Revenues are insufficient therefor, (b) to pay the cost of repairing or replacing any damage to the Project which may be caused by an unforeseen catastrophe, or (c) to pay the cost of extensions or improvements to the Project or (ii) if the Series 2015 Bond is being repaid in full, toward such repayment or as otherwise determined by the County.

ARTICLE VI.

ADDITIONAL BONDS

Section 6.1. Issuance of Additional Bonds. The County may Issue Additional Bonds to finance the cost of completing the Project or the acquisition or construction of improvements, extensions, additions and replacements to the System or to refund any Bonds. Additional Bonds shall be in such form, shall be dated such date shall mature in such installments of principal and interest, shall bear interest at such rate or rates, shall be in such denomination or denominations and may contain such provisions for prepayment prior to their respective maturities, all as provided by the Board of Supervisors by resolution adopted prior to their Issuance. Additional Bonds shall contain an appropriate series designation.

Section 6.2. Conditions of Issuance. The County shall not Issue any Additional Bonds unless there shall have been filed with the County and, if the Government is the

Owner of either the Series 2015 Bond or any Additional Bonds, with the Government, the following:

(a) a certified copy of a resolution of the Board of Supervisors in form complying with the foregoing provisions specifying or providing for all the terms of the Additional Bonds and, if applicable, stating the cost of the acquisition or construction of any improvements, extensions, additions and replacements to the System to be acquired or constructed and finding and ordering that such improvements, extensions, additions and replacements shall be a part of the System;

(b) a certified copy of a resolution of the Board of Supervisors specifying or providing for the interest rate or rates and directing the delivery of such Additional Bonds to the purchaser or purchasers upon payment of the purchase price set forth therein;

(c) if the Additional Bonds are to be issued to complete the Project, a certificate of the Consulting Engineer to that effect;

(d) if the Additional Bonds are to be issued for any purpose other than the refunding of Bonds or the completion of the Project, either (i) a certificate of an independent certified public accountant stating that the amount of the Net Revenues for the fiscal year preceding the year in which the proposed Additional Bonds are to be issued was not less than one hundred percent (100%) of the average annual principal and interest requirements for the Bonds then outstanding and the Additional Bonds to be issued, or (ii) the written consent of the holders of three-fourths in aggregate principal amount of the Bonds outstanding;

(e) a certificate of the County, signed by the Chairman or Vice- Chairman Board of Supervisors, that the County is in compliance with all covenants and undertakings in connection with this resolution and any supplemental resolution authorizing Additional Bonds which remain outstanding; and

(f) the written opinion or opinions of counsel for the County stating that the issuance of the Additional Bonds has been duly authorized and that all conditions precedent to their delivery have been fulfilled.

ARTICLE VII.

DISBURSEMENT OF BOND PROCEEDS

Section 7.1 Disbursement of Bond Proceeds. Principal advances shall be made by the Government, in an aggregate amount not to exceed \$170,000 under the Series 2015 Bond upon application by the County and compliance with all Government requirements. An authorized officer of Government shall enter the amount and the date of each such principal advance on the Certificate of Principal Advances (**the “Certificate”**), attached to the Series 2015 Bond when the proceeds of such advances are

delivered to the County. Each principal advance shall bear interest from the date of the advance entered on the Certificate.

ARTICLE VIII.

SECURITY FOR DEPOSITS AND INVESTMENTS OF FUNDS

Section 8.1 Security for Deposits. All moneys on deposit with any bank or trust company shall be secured for the benefit of the County and the Bondholders in the manner required by Chapters 44, 45, and 46 of Title 2.2, Code of Virginia of 1950, as amended).

ARTICLE IX.

PARTICULAR COVENANTS

Section 9.1 General. The County hereby particularly covenants and agrees with the owner of the Bond and makes provisions which shall become a part of its contract with such Bondholder as set forth in the following sections of this Article.

Section 9.2 Payment of Bond. The County shall pay promptly, as provided herein, the principal of and interest on the Bond issued pursuant to this resolution, but such principal and interest shall be payable from the revenues of the System pledged herein. Nothing in the Bond or in this resolution shall be deemed to create or constitute an indebtedness of or a pledge of the faith and credit of the Commonwealth of Virginia or of any county, city, town or other political subdivision of the Commonwealth, including the County.

Section 9.3 Construction of System. The County shall obtain all approvals, permits and consents required by law as a condition precedent to the construction, development, operation and improvement of all parts of the System and shall complete the construction of the Project in a sound and economical manner and in conformity with all applicable requirements of governmental authorities and do all acts and things necessary and reasonable so that it may begin to collect revenues from the Project at the earliest practicable time.

Section 9.4 Operation and Maintenance. The County shall establish and enforce reasonable rules and regulations governing the use and services of the System, maintain and operate the System in an efficient and economical manner, maintain the same in good repair and sound operating condition and make all necessary repairs, replacements and renewals. All compensation, salaries, fees and wages paid by it in connection with the operation, maintenance and repair of the System shall be reasonable. The County shall observe and perform all the terms and conditions contained in the Act

and comply with all valid acts, rules regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the System or the County.

Section 9.5 Competition. The County shall not operate or assent to the operation of any sewer service in competition with the System.

Section 9.6 Consulting Engineer. The County shall employ as necessary as Consulting Engineer an engineering firm or individual engineer of recognized standing and experience in the field of sewer system engineering, whose duties shall include supervision of the construction of improvements to the System and advice as to proper operation, maintenance and repair of the System.

Section 9.7 Sale or Encumbrance. Neither the System nor any integral part thereof shall be sold, encumbered or otherwise disposed of; provided, however, that the County may grant easements, licenses or permits across, over or under parts of the System for streets, roads and utilities as will not adversely affect the use of the System and provided, further, that the County may sell or otherwise dispose of any property constituting a part of the System that is no longer needed or useful for such purpose may be used by the County for any lawful purpose related to the System. Notwithstanding the foregoing, for so long as the Series 2015 Bond is owned by the United States of America any sale, encumbrances or other disposition of the System or any part thereof, not expressly permitted or contemplated hereby, must first be consented to in writing by a representative of the Government.

Section 9.8 Creation of Liens. The County shall not create or suffer to be created any lien or charge upon the System or any part thereof, except as provided herein. The County shall pay or cause to be discharged, or shall make adequate provision to satisfy and discharge, all lawful claims and demands for labor, materials or supplies within sixty days after the same shall accrue and all governmental charges when the same become due, which, if unpaid, might by law become a lien upon the System or any part thereof; provided, however, that nothing contained in this section shall require the County to pay or cause to be discharged or make provision for any such lien or charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

Section 9.9 Title to Lands. The County shall make no contract requiring payment for labor or to contractors, builders or materialmen on account of the construction or reconstruction of any part of the System unless such part is located on lands to which title in fee simple or over which perpetual easement, in either case sufficient for the purposes of the System, is owned or can be acquired by the County, or unless such part is lawfully located in public street or highway or is a main, conduit, pipeline, main connection or outfall located on land in which a right or interest less than a fee simple or perpetual easement has been acquired and such lesser right or interest has been approved by written opinion of counsel for the County as sufficient for the purposes of the County.

Section 9.10 Insurance. The County shall maintain insurance as follows:

(a) The County shall keep insured all above-ground structures forming a part of the System, as well as all other insurable portions of the System of a type that are customarily insured by other publicly owned sewer systems, against loss by fire, including extended coverage, tornado and windstorm, to such extent as may be necessary to provide for a full recovery whenever an insured loss does not exceed eighty percent (80%) of the full insurable value of the property damaged. All proceeds of such insurance shall be applied promptly to the repair or replacement of the property damaged or destroyed.

(b) The County shall carry public liability insurance relating to the operation of the System with limits of not less than \$1,000,000 to protect the County from claims for bodily injury, or damage to property of others which may arise from the ownership or operation of the System.

(c) The County shall carry workers' compensation insurance in such amounts and upon such terms so that it will not be considered a self-insurer of its liability to its employees under the Virginia Workers' Compensation Act.

(d) All policies of insurance, accompanied by receipts showing payment of premiums in full, shall be deposited in the office of the County.

(e) The County shall obtain surety bonds on all of its officers and employees who may handle funds pertaining to the System, such bonds to be in such amounts as are customarily carried by public bodies owning and operating similar systems.

All such insurance shall be taken out and maintained with generally recognized insurance companies and may be written with deductible amounts comparable to those on similar policies carried by other public bodies owning and operating similar systems.

Section 9.11 Records and Reports. The County shall keep proper books of record and accounts, separate from any of its other records and accounts, showing complete and correct entries of all transactions relating to the System, and any Bondholder shall have the right at all reasonable times to inspect the System and all records, accounts and data relating thereto. The County shall also cause an annual audit of its books and accounts to be made by an independent certified public accountant at the end of each fiscal year. No later than two hundred and forty days after the end of each fiscal year, copies of the audit report, certified by such accountant, reflecting in reasonable detail the financial condition and record of operation of the System, including specifically the rates charged, the number of connections served, and the tap fees collected for new connections, shall be filed in the office of the Treasurer of the County and shall be mailed to any Bondholder who may have requested the same in writing.

Section 9.12 Refinancing. The County shall refinance the unpaid principal balance of the Series 2015 Bond upon the request of the United States of America if at

any time it shall appear to the Government that the County is able to do so with funds obtained from responsible private sources at reasonable rates and terms for loans for similar purposes and periods of time.

Section 9.13 Covenant as to Other Bonds. The County covenants that as of the date of this resolution there are no outstanding bonds, notes or other revenue bond obligations concerning the System other than the Series 2015 Bond.

Section 9.14 Recovery Act Requirements. The County hereby covenants to comply with the Recovery Act Requirements and any applicable regulations and other pronouncements and published guidance relating thereto, if required by the Letter of Conditions. The Chairman and the Vice Chairman of the Board and the County Administrator of the County, any one or more of whom may act, are each hereby authorized to execute and deliver such certifications and reports as may be required by the Recovery Act Requirements, as appropriate.

ARTICLE X.

AMENDMENTS

Section 10.1 Amendments Without Consent: The County shall have the right, from time to time, without the consent of the Bondholder to adopt resolutions supplemental hereto, not inconsistent with the terms and provisions hereof:

- (a) to cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this resolution or in any supplemental resolution;
- (b) to grant to or confer upon the Bondholder any additional lawful right, remedy, power, authority or security;
- (c) to add conditions, limitations, and restrictions on the issuance of Additional Bonds; and
- (d) to add other covenants and agreements to be observed by the County or to surrender any right or power herein reserved to or conferred upon the County.

No such supplemental resolution shall become effective until certified copies have been filed in the office of the County Administrator of the County.

Section 10.2 Amendments Requiring Consent. The owners of not less than sixty-five percent in principal amount of the Bonds then outstanding shall have the right, from time to time, but only pursuant to this section, to consent to and approve the adoption of such resolution or resolutions supplemental hereto as shall be deemed necessary or desirable by the County for the purpose of modifying, altering, amending,

adding to or rescinding, in any particular, any of the terms or provisions contained in this resolution or in any supplemental resolution; provided, however, that nothing herein contained shall permit or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any Bond or the prepayment premium, if any, or the rate of interest thereon, or (b) the creation of a lien upon or a pledge of revenues other than the lien and pledge created by this resolution or otherwise permitted hereby, or (c) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the principal amount of Bonds required for consent to such supplemental resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the adoption of any supplemental resolution authorized by Section 10.1.

Section 10.3 Adoption and Consent to Amendment. Upon the adoption of any supplemental resolution for any of the purposes of Section 10.2, a certified copy thereof shall be filed in the office of the County Administrator of the County for inspection by any Bondholder. The Treasurer of the County shall cause a copy of such supplemental resolution or a summary thereof, together with a request to the Bondholders for their consent thereto, to be sent by registered or certified mail to the registered owner of each Bond at his address as it appears on the registration books of the County; provided, however, that failure to mail any such notice shall not affect the validity of such supplemental resolution when consented to and approved as provided in this section. If, within sixty days or such longer period as shall be prescribed by the County following the giving of such notice, the County shall file in its office, and in the office of the Government, an instrument or instruments in writing purporting to be executed by the holders of not less than sixty-five percent in principal amount of the Bonds then outstanding, which shall refer to the supplemental resolution and shall specifically consent to and approve the adoption thereof, together with a certified copy of such supplemental resolution and the written opinion of counsel for the County stating that such resolution has been duly adopted, is authorized or permitted by this resolution and is valid and legally binding upon the County and enforceable in accordance with its terms, such supplemental resolution shall thereupon be effective as the owners of all the Bonds then outstanding, whether or not such owners shall have consented thereto.

Section 10.4 Amendment by Unanimous Consent. Notwithstanding any other provisions herein, the County may amend any term or provision of this resolution or any supplemental resolution upon adoption of a supplemental resolution and the filing of certified copies of such supplemental resolution, together with the written consent thereto of the owners of the Bonds then outstanding, as provided in Section 10.3.

Section 10.5 Effect of Amendments. This resolution shall be deemed modified and amended, and the respective rights, duties and obligations hereunder of the County and any owner of the Bonds then outstanding shall be determined and enforced under the provisions of this resolution, as so modified and amended, upon the adoption of any amendment as provided in this Article.

ARTICLE XI.

DISCHARGE UPON PAYMENT

Section 11.1 Discharge Upon Payment of Bonds. If any Bonds shall have become due and payable at maturity or shall have been duly called for prepayment and the full amount of the principal, interest and premium, if any, so due and payable upon the Bonds then outstanding shall have been paid at the time and in the manner provided therein and in this resolution, then the right, title and interest of the Bondholder in the revenues and the other moneys, funds and securities pledged under this resolution and all covenants, agreements and other obligations of the County to the Bondholder under this resolution shall cease, terminate and be void, and the County shall be discharged from its obligations hereunder. In such event all moneys and securities not required for the payment of the principal, interest and prepayment premium, if any on the Bonds, may be used by the County for any lawful purpose.

ARTICLE XII.

MISCELLANEOUS

Section 12.1 Contract with Bondholders: The provisions of this resolution shall constitute a contract between the County and the Bondholder for so long as any Bonds or interest thereon is outstanding.

Section 12.2 County Officers and Agents. The officers and agents of the County shall do and are authorized to perform all acts and things required of them by this resolution, the Bonds and the Act for the complete and punctual performance of all the terms, covenants and agreements therein, and to do all acts and things and execute all documents and certificates required by the Government in connection with the issuance of the Bonds (including but not limited to an initial operating budget, a request for obligation of funds, an equal opportunity agreement, an assurance agreement, an applicant certification concerning collection policies for consumer or commercial debts, a certification regarding debarment, suspension and other responsibility matters, a certification regarding drug-free workplace requirements, and a certification for contracts, grants, and loans regarding lobbying, all in standard form acceptable to the Government), and such actions of the officers and agents of the County are hereby approved and ratified.

Section 12.3 Successors and Assigns. All the covenants, stipulations, promises and agreements of the County contained in this resolution shall bind and inure to the benefit of its successors and assigns, whether so expressed or not.

Section 12.4 Limitation of Rights. Nothing expressed or mentioned in or to be implied from this resolution or the Bond is intended or shall be construed to give to any person or company other than the parties hereto and the owner of the Bonds any legal or equitable rights, remedy or claim under or in respect to this resolution or any covenants, conditions and agreements herein contained; this resolution and all of the covenants,

conditions and agreements hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the owners of the Bonds as herein provided.

Section 12.5 Limitation of Liability of the County, etc.. No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of a present or future member of the Board, officer, employee or agent of the County in his individual capacity, and neither the members of the Board nor any officer thereof executing the Bond shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board, officer, employee or agent of the County shall incur any personal liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this resolution or the Act.

Section 12.6 Notice. Any provision in this resolution for the giving, filing, mailing or delivery of notice or other papers shall be deemed fully complied with if, and when, such notice or other papers are sent by registered or certified mail, return receipt requested, to the County, addressed to County Administrator, County of Lancaster, 8311 Mary Ball Road, Lancaster, Virginia 22503.

Section 12.7 Headings. Any headings in this resolution are solely for convenience of reference and shall not constitute a part of the resolution nor shall they affect its meaning, construction or effect.

Section 12.8 Conditions Precedent: Upon the issuance of the Bonds all acts, conditions, and things required by the Constitution and statutes of the Commonwealth of Virginia or this resolution to have happened, exist and to have been performed precedent to or in the issuance of the Bonds shall have happened, exist and have been performed.

Section 12.9 [RESERVED].

Section 12.10 Series Designation. In the event the Series 2015 Bond is not issued during calendar year 2015, the Chairman or Vice Chairman and Treasurer of the County are hereby authorized and directed to change the series designation to such other year as may be appropriate at the time of their issuance. Thereafter all references in this resolution to the Series 2015 Bond shall be deemed to refer to the \$170,000 Sewer Revenue Bond issued pursuant to Article III under the new series designation.

Section 12.11 Government Resolution. The Government Loan Form Resolution attached hereto as Exhibit B is hereby adopted and incorporated herein and to the extent of any inconsistency with this resolution and the Government Resolution, the Government Resolution shall control.

Section 12.12 Severability. The provisions of this resolution are hereby declared to be severable. If any court of competent jurisdiction shall hold any provision of this resolution to be invalid and unenforceable, such holding shall not affect any other provision hereof.

Section 12.13 Approval of Water and Waste System Grant Agreement. The County hereby accepts a grant from the Government in the amount of \$511,000 in accordance with the Water and Waste System Grant Agreement presented at this meeting, which Water and Waste System Grant Agreement is hereby approved in substantially the form presented to this meeting with such completions, omissions, insertions and changes as may be approved by the officer executing it, his execution to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes. The Chairman, Vice Chairman and County Administrator of the County, and each of them, are authorized to execute the Water and Waste System Grant Agreement in accordance with the foregoing. The Chairman, Vice Chairman and County Administrator of the County, and all other officers, employees and agents of the County are hereby authorized and directed to take any and all such further action as shall be deemed necessary or desirable to close on the grant in accordance with the approved Water and Waste System Grant Agreement, and all such action is hereby approved and ratified.

Section 12.14 Effective Date. This resolution shall take effect immediately. A certified copy of this Bond Resolution shall be filed by the Clerk of the Board with the Clerk of the Circuit Court of the County of Lancaster, Virginia. The filing of this Bond Resolution with the Clerk of the Circuit Court of the County of Lancaster, Virginia shall be deemed to be the filing of a resolution authorizing the issuance of bonds with such Court for all purposes of the Act.

VOTE:	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye
	William R. Lee	Aye
	B. Wally Beauchamp	Aye

Mr. Jenkins asked Mr. Pleva to provide an accounting of all funds that have gone into the Greentown/Gaskins Road Project by the Board's February meeting.

CONSENSUS DOCKET

Motion was made by Mr. Jenkins to approve the Consensus Docket and recommendation as follows:

1. Minutes for the November 19, 2015 Regular Meeting

Recommendation: Approve minutes as submitted

VOTE:	Jason D. Bellows	Aye
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F. W. Jenkins, Jr.	Aye
William R. Lee	Aye
B. Wally Beauchamp	Aye

CONSIDERATION DOCKET

The Board considered the following items on its Consideration Docket:

1. Approval of December 2015 Salaries and Invoice Listings

The motion was made by Mr. Beauchamp to approve the salaries for December 2015 in the amount of \$264,934.98 and invoice listings for December 2015 in the amount of \$414,323.19*.

*Capital Improvements - \$78,770.37

VOTE:	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye
	William R. Lee	Aye
	B. Wally Beauchamp	Aye

2. Voting Machine Purchase – OVO Digital Scanner Suite

Mr. Lee Pulling, Secretary of the Lancaster County Electoral Board, stated that he and his board and the Voter Registrar, Susan Jett, were asking for approval and funding for the replacement of the existing voting equipment. He stated that they had a machine failure in one of the precincts during the last election held in November. He stated that they only had one back-up machine that they used.

Mr. Pulling stated that the current equipment was purchased in 1996 and has been reconditioned. He stated that Northumberland County has the same equipment and all of their units failed during the last election, but they had enough back-up units.

Mr. Pulling stated that they anticipate four elections in 2016 and would like to have the equipment as soon as possible. He stated that they had looked at various vendors and equipment and believe the company they selected would be the best choice. He stated that the equipment is user friendly and similar to the old equipment in its design.

Mr. Pulling stated that he knew it was a great deal of money, but that they wanted to maintain the integrity of the voting process and that every vote counted.

Mr. Jenkins asked about the life span of the proposed voting equipment.

Mr. Pulling replied ten to twelve years.

Mr. Lee asked about back-up equipment for the new equipment.

Mr. Pulling replied that they will have one spare. He stated they are considering purchasing one machine each year in the future. He stated they also discussed a request to set aside a line item for the machines in the budget, so it was not such a big cost at one time.

Mr. Bellows stated that he thought it was very important to have voter confidence in the election process and have equipment that is functional.

Mr. Jenkins asked about the purchase of the new voting equipment being a capital improvement item. He stated that it meets the criteria.

Mr. Bellows made a motion to Approve the Voting Machine Purchase and if possible, use Capital Improvement Funds for the purchase.

VOTE:	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye
	William R. Lee	Aye
	B. Wally Beauchamp	Aye

Mr. Pleva stated that a public hearing would need to be held in January to amend the Capital Improvement Budget to include the voting machines purchase.

BOARD REPORTS

Mr. Lee made a motion to reappoint Joseph Curry to the Lancaster County Economic Development Authority.

VOTE:	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye

William R. Lee Aye

B. Wally Beauchamp Aye

Mr. Bellows stated that he wanted to congratulate the Save the Rappahannock Coalition on their hard work regarding the SCC ruling and hoped that they continued to move forward on alternatives to the towers and hopefully the SCC and Dominion Virginia Power can be persuaded to do what is right. He also thanked his fellow board members.

COUNTY ADMINISTRATOR

Mr. Pleva wished everyone a Merry Christmas and a Happy New Year.

CLOSED MEETING

Motion was made by Mr. Bellows to enter into a closed meeting to discuss matters exempt from the open meeting requirements of the Virginia Freedom of Information Act. The subject matter to be discussed in the closed meeting is Legal Consultation, § 2.2-3711.A.7 of the Code of Virginia, 1950, *as amended*. The purpose of the closed meeting is to discuss legal consultation. The subject and purpose falls within the following exemption under 2.2-3711.A.7 (for briefings by staff members pertaining to actual or probable litigation, where such briefings in open meeting would adversely affect the negotiating or litigating posture of the public body.)

VOTE: Jason D. Bellows Aye

F. W. Jenkins, Jr. Aye

William R. Lee Aye

B. Wally Beauchamp Aye

RECONVENE

Motion was made by Mr. Jenkins to reconvene the open meeting.

VOTE: Jason D. Bellows Aye

F. W. Jenkins, Jr. Aye

William R. Lee Aye

B. Wally Beauchamp Aye

CERTIFICATION

WHEREAS, the Lancaster County Board of Supervisors convened in a closed meeting on December 14, 2015 pursuant to an affirmative recorded vote on the motion to close the meeting to discuss Legal Consultation, § 2.2-3711.A.7 of the Virginia Freedom of Information Act;

WHEREAS, § 2.2-3712 of the Code of Virginia requires a certification by the board of supervisors that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE BE IT RESOLVED that the Lancaster County Board of Supervisors hereby certifies that, to the best of each member’s knowledge, (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the closed meeting to which this certification applies and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting to which this certification applies.

Motion was made by Mr. Bellows to certify the closed meeting.

Before a vote is taken on this resolution, is there any member who believes that there was a departure from the requirements of number 1 and number 2 above? If so, identify yourself and state the substance of the matter and why in your judgment it was a departure. There was no comment.

Hearing no further comment, Mr. Bellows called the question. A roll call vote was taken:

ROLL CALL

VOTE:	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye
	William R. Lee	Aye
	B. Wally Beauchamp	Aye

This certification resolution is adopted.

No action was taken on the closed meeting matter.

ADJOURNMENT

Motion was made by Mr. Jenkins to adjourn the meeting.

VOTE:	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye
	William R. Lee	Aye
	B. Wally Beauchamp	Aye