

VIRGINIA:

A meeting of the Lancaster County Board of Supervisors was held in the Administrative Building Board/Commission Meeting Room of said county on Thursday, March 28, 2019.

Members Present: Jason D. Bellows, Chair

Ernest W. Palin, Jr., Vice Chair

Jack D. Larson, Board Member

William R. Lee, Board Member

Robert S. Westbrook, Board Member

Staff Present: Don G. Gill, County Administrator

Brian D. Barnes, Planning/Land Use Director and
Environmental Codes Compliance Officer

Crystal Whay, Clerk to the Board and
Building/Land Use Assistant

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

Mr. Bellows stated that Lancaster County had lost two members of its family. He stated that Frank Pleva, the former County Administrator and Robert Harper, the Brookvale Superintendent for VDOT, had both passed away. He asked for a moment of silence.

Mr. Bellows led everyone in saying the Pledge of Allegiance.

Mr. Bellows stated that he was adjusting the agenda to allow the school children and their teachers to make their presentations first.

PRESENTATIONS

1. Resolution Recognizing Lancaster Primary School as a 2019 Commemoration School Through American Evolution

Mrs. Faith Waddy, a Lancaster Primary School teacher, stated that the students with her have been participating in the initiative for the American Evolution and Lancaster Primary School has been recognized as a 2019 Commemoration School. The

students spoke about the things they had learned during their studies of the events that happened in 1619.

**RECOGNIZING LANCASTER PRIMARY SCHOOL AS A 2019
COMMEMORATION SCHOOL THROUGH
AMERICAN EVOLUTION 1619-2019**

WHEREAS, Lancaster Primary School has been named a 2019 Commemoration School through American Evolution, Virginia to America 1619-2019; and

WHEREAS, Lancaster Primary School students, under the direction of Faith Waddy, will be completing projects throughout the year to help celebrate several important events that occurred in Virginia in 1619; and

WHEREAS, the year 1619 was an important year, in that, it was the year of the first representative legislative assembly in the New World; and

WHEREAS, in 1619, the first recorded arrival of Africans to English North America took place; and

WHEREAS, in 1619, the recruitment of a significant amount of women happened in the English colonies; and

WHEREAS, the first official English Thanksgiving occurred in North America in 1619; and

WHEREAS, the themes of the Commemoration include, Democracy, Diversity and Opportunity; and

WHEREAS, the students from Lancaster Primary School that have participated in the lessons and events include: **Jacoby Scott, Ethan Avina, Susana Geier, Jalea Mitchell, Haleigh Burrell, Addison George, Shawn Gill, Savien Mattocks, Tucker Braly, Kaymon Veney, Jett Crandall, Darius Jones, Elizabeth Keyser, Naomi Ramos, Lucas Davis and Ke'nique Bunns;**

NOW, THEREFORE BE IT RESOLVED, that the Lancaster County Board of Supervisors hereby congratulates these students and Lancaster Primary School for being named a 2019 Commemoration School through American Evolution.

Mr. Lee made a motion to Adopt the Resolution Recognizing Lancaster Primary School as a 2019 Commemoration School through American Evolution 1619-2019.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye

Jack D. Larson Aye

William R. Lee Aye

Robert S. Westbrook Aye

2. Lancaster Primary School Third Grade Project Based Learning

Mr. Bellows stated that the next presentation would be about project based learning. He stated that a lot of what is going on in public education now is shifting away from the testing type of environment and moving toward critical thinking and project based learning types of activities, where the students can look into real world problems. He stated that he was excited for the third grade group to present some of their ideas for the community. He stated that teachers, Sarah Bowis and Megan George, were present with their students.

Ms. Bowis stated that she and Ms. George were teachers at Lancaster Primary School. She stated that, in the summer of 2018, a select group of Lancaster County employees were invited to attend the William and Mary Center for Innovation and Learning. She stated that it was called the Deeper Learning Summer Academy and it has been a year-long partnership with William and Mary. She stated that it was made possible by the Jessie Ball duPont Fund. She stated that project based learning shifts classroom practices to a more hands-on student driven approach. She stated that they decided to ask the students to create a place that they would like to see built in Lancaster County. She stated that they began this unit by visiting a local architect, Randall Kipp, to get the students excited to create. She stated that they used materials, such as play dough to create buildings. She stated that, during this two-week unit, they covered eight cross-curricular standards, which were four in math and four in English. She stated that the students were asked to create a place for kids to go, play and explore in Lancaster County. She stated that the presentation reflects what the students created. Each student spoke about their ideas and presented their drawings and models.

3. Broadband Authority Update

Dr. Gary Silverman stated that there were four main items for the Broadband Authority's monthly report. He stated that the first was that the Broadband Authority is waiting for notification of whether they have been selected for the Telecommunications Planning Grant that they applied for in February. He stated that, in anticipation of being selected, they are moving forward scheduling meetings with various County officials, as the terms of the grant will require them to do.

Dr. Silverman stated that the second point was that, to assist the Board of Supervisors regarding renewal of the Atlantic Broadband franchise agreement, the Broadband Authority prepared an information request for the County Administrator's signature. He stated that they have a partial response, but they have some questions and

were waiting for additional data. He stated that, as soon as they have all of the information, they will make it available to the Board along with their analysis. He stated that the demand for service expansion by Atlantic Broadband remains high. He stated that, last fall, residents of the Eagle Landing community requested, without success, that service be brought to their neighborhood and they have recently become aware of another service request from a riverfront community that has not been answered. He stated that a spokesman for this community of 60 homes represents that it is only a mile from an existing connection point and still has not been able to get service.

Dr. Silverman stated that they continue to move ahead with their plans for community outreach through their website, another information piece for the Rappahannock Record and making formal contact with our counterparts in Middlesex and other nearby jurisdictions. He stated that it will probably be over a two-month period in which they conduct their survey.

Dr. Silverman stated that they were preparing to comment on Dominion Energy's plan to bring fiber to its substations and perhaps make some excess capacity available to local providers. He stated that, last fall, they made an informal request to Dominion to include excess fiber for public use in its underwater conduit adjacent to the Norris Bridge. He stated that Dominion refused that request, indicating that the conduit was already fully utilized.

Mr. Bellows asked if the Broadband Authority's survey will only be through their website.

Dr. Silverman replied no. He stated that they are also planning on distributing the surveys in person at businesses and events. He stated that they will only allow one survey per household.

Mr. Larson referred to Northern Neck Electric Cooperative and stated that they had discussed doing a viability study, about a year ago, about providing fiber cables to the area. He asked if Dr. Silverman had an update on that.

Dr. Silverman replied that he did not have an update.

Mr. Lee stated that he was getting a little impatient with Atlantic Broadband and asked what the Broadband Authority's feelings were.

Dr. Silverman replied that there was some frustration, but they were giving them a chance and trying to be patient.

PUBLIC INPUT

Charlie Costello, a District 2 citizen, referred to the Board of Supervisors' work session with members of the three local volunteer fire departments that was held on Tuesday and stated that it was extremely valuable and eye-opening. He stated that they

depend upon the volunteer firemen very much and hoped that other people from the public would attend these meetings.

Mr. Costello stated that tomorrow was National Vietnam War Veterans Day and he wanted to thank all of those veterans for their service.

Bill Warren, a District 3 citizen, stated that he hoped the Board members had received the information he had sent them on the schools' three-year old program. He stated that both the Wiley Foundation and the Kids First Foundation are concerned about potential budget cuts in the three-year old program. He stated that it was not a state mandated program. He stated that those two foundations have contributed almost \$500,000 to get the program started. He stated that the program helps at-risk children have a year to catch up and it is a great program.

Mr. Palin stated that he is in support of the program because it was himself and Mrs. Bishop that got the program started.

Mr. Warren stated that he knew that. He stated that he believed that Cynthia Bishop and representatives from the foundation will be present during the school budget hearings.

Mr. Warren referred to Mercer Place and stated that it will be in its eighth year of operation in July. He stated that it has been very successful. He stated that the housing helps to attract teachers and it serves the community well. He stated that the rent is well below HUD figures and helps people starting out in their careers.

Chris Braly, a District 5 citizen, stated that he would like the Board of Supervisors to approve whatever the School Board requests for funding the construction of new facilities without a referendum. He stated that he thought no one would vote for the facilities if a referendum was done because they would not have accurate information. He stated that they needed to replace two buildings due to poor planning over the last 40 years. He stated that, when the middle school was renovated, there should have been a plan to either renovate or replace one of the other two schools in the next ten to fifteen years. He stated that he didn't think \$80 million or \$100 million was too much for three schools, but he knew that other County residents did. He asked again that the Board of Supervisors vote for whatever the School Board decided on the new facilities.

Anne Muse, a District 1 citizen, stated that she had been a resident of the County for about ten years and was a former teacher. She spoke extensively about her experience in education. She stated that she was most concerned about the lack of attention to teaching and learning as they talk about the school facilities. She stated that she did not intend to sound heartless and she wanted to focus on the facts and what factors are important for student achievement. She asked what was driving the decision to build an entire new facility or facilities. She asked where the evidence was for additional space for teaching and learning with a declining student population. She asked if the cost of the required renovation, in either of the schools, was more than fifty percent of the estimated

\$114 million dollar cost. She stated that, while renovations may be needed, exhausting the County's resources for full replacement is irresponsible.

Mrs. Muse stated that parents who are planning to relocate in Lancaster County do not do a drive-by and take a look at the schools. She stated that they do not go online to look at the school buildings to make a decision about where to live. She stated that they go to school websites and review student achievement data. She stated that they are looking for the best school that is going to provide their child with what they need to be successful. She stated that, through a referendum, they would hear people say they want students achieving at grade level, well paid and well prepared teachers and high expectations for every child to be successful.

Kurt Muse, a District 1 citizen, stated that he was going to talk about something that the Board might not have heard about before and that was scotoma. He stated that scotoma is a blind spot that occurs when something we see is inconvenient or disturbing. He stated that the litter on the sides of the road is growing by leaps and bounds, week by week. He stated that some people might suggest aggressive police litter enforcement as a deterrent. He stated that does not work. He stated that his suggestion was that the County hire two or three crews that would be tasked with keeping the roads litter-free. He stated that, instead of saying that it was not in the budget, he suggested they consider discretionary funds similar to what they give to the non-governmental organizations.

Bruce Julian, a District 5 citizen, stated that he wanted to share his concerns about the trash problems in the County and the Commonwealth. He stated that the County has many concerns and the littering problem is down on the list of priorities. He stated that one of the solutions to the problem is behavior change. He stated that young people are more likely to throw out trash when they are in a group; older people are more likely to throw out trash when they are alone; men toss trash more than women and women use trash containers more than men. He asked how do we change behaviors. He stated that penalties and signs don't work. He stated that they needed to find ways to reward and teach behavior at the youngest ages. He stated that it needs be learned behavior. He stated that he would be happy to continue the discussion and talk about some solutions.

Fred Moore, a County citizen, stated that he thought they would all agree that failing to educate our youth makes it extremely difficult for them to be successful later in life. He stated that an uneducated workforce makes it difficult for the support of economic expansion in our County. He referred to the Virginia Department of Education's data and stated that in 2018-19, anywhere from thirty-five to more than fifty percent of our graduation class was incapable of passing one or more of the state's tests in reading, writing and/or math. He stated that there were high poverty schools that are high performing in the United States, but our school is not one of them. He stated that the high performing schools value human capital as being critical to their success. He stated that he did not find one reference that credited new school buildings with student performance.

Mr. Moore stated that they needed a plan for school capital upgrades. He stated that, if the County were to build the proposed school facilities at \$114 million dollars and take out a thirty-year bond at 4 ½% interest, it would cost \$6.93 million dollars a year. He stated that this would require a forty percent increase in the general property taxes. He stated that, in thirty years, we will have stripped away \$94 million dollars in wealth from this County through interest paid to a third party. He stated that this is without any money going to teacher pay or any other critical County projects. He stated that, in his opinion, they should not do this all at once. He stated that one option would be to increase the taxes by \$3 million dollars a year and invest it in teacher attraction and retention, particularly those teachers who have positive student outcomes, and increasing the teachers' starting salaries to be more competitive. He stated that, with this option, they could strategically address critical maintenance and with the remaining money put into savings by year five, the County will have accumulated \$10 million dollars. He stated that, at that time, another \$10 million dollars could be borrowed for either building a new school or renovating existing ones.

James Vick, a Morattico resident, referred to the local newspaper's article that stated a Board of Supervisors' member said that a referendum was not needed because the schools could be afforded. He stated that the taxpayers cannot afford the new schools as proposed. He stated that he was concerned about the money that the County has paid for the Good Luck Road property. He stated that he looked into it and the tax assessment for that property was \$539,200 and the County paid \$795,000 for it. He stated that there were fifty acres of open land, eighty-nine acres of woods and fifteen acres of swampland. He stated that he did not understand why the County paid fifty percent over assessed value for the parcel. He stated that it was not fair to the taxpayers. He stated that it would have been more important to add to the teachers' salaries. He stated that new schools will not make any difference unless the parents get involved in their children's education.

VIRGINIA DEPARTMENT OF TRANSPORTATION

None.

PUBLIC HEARINGS

1. Application for Special Exception (Disposal of Dredge Spoil)-Charlotte and Gary Silverman

Mr. Barnes stated that the issue was an application for Special Exception by Charlotte and Gary Silverman to dispose of dredged spoil on a portion of a parcel containing 5.5 acres described as tax map #12-28A. He stated that this property was located at 372 Conley Road in District 1.

Mr. Barnes stated that Article 5-1-30 of the zoning ordinance allows disposal of dredge spoil with a special exception. He stated that the applicants wish to stockpile the dredge spoil and use it as a topdressing soil amendment in the indicated area of this

property. He stated that staff views this location and use of dredge spoil favorably and recommends approval.

Mr. Bellows opened the public hearing.

There was no public comment.

Mr. Bellows closed the public hearing.

Mr. Larson made a motion to Approve the Application for Special Exception for the Disposal of Dredge Spoil by Charlotte and Gary Silverman.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye

CONSENSUS DOCKET

1. Minutes for February 19th Joint Meeting with the School Board, February 21st Joint Meeting with the Planning Commission and February 28th Regular Meeting

Recommendation: Approve minutes as revised

2. Census Awareness Day Resolution

Recommendation: Approve resolution as submitted

RECOGNIZING CENSUS AWARENESS DAY

WHEREAS, every ten years, Article 1, Section 2 of the United States Constitution mandates a count of all the people living in the United States and its territories; and

WHEREAS, the 2020 Census will address every household in the nation with a simple questionnaire with the goal of counting everyone once, only once and in the right place; and

WHEREAS, data obtained by the survey will be used to help determine how approximately \$675 billion will be distributed from the federal government to state, local and tribal governments annually; and

WHEREAS, up to \$2000 of federal funding will be lost for each person not counted; as well as upwards of \$20,000 of federal funding lost every ten years; and

WHEREAS, a complete count requires that we bring together leaders from all communities of the Commonwealth, so that every Virginian regardless of racial, social or economic background is counted; and

WHEREAS, Governor Ralph S. Northam has established the Virginia Complete Count Commission, which is comprised of 40 members to collaborate with community partners and local Complete Count Committees to ensure an accurate 2020 Census count;

NOW, THEREFORE BE IT RESOLVED, that the Lancaster County Board of Supervisors hereby proclaims April 1, 2019 as Census Awareness Day.

3. Public Safety Telecommunications Week Resolution

Recommendation: Approve resolution as submitted

**DECLARING APRIL 14-20, 2019 AS PUBLIC SAFETY
TELECOMMUNICATIONS WEEK**

WHEREAS, dedicated Public Safety Communication Officers serve the citizens of Lancaster County by answering their requests for law enforcement, fire or emergency medical services; and

WHEREAS, the Public Safety Communication Dispatcher is the first link between the citizen and the emergency responder; and

WHEREAS, the safety of both citizens and emergency responders is dependent upon the highly trained and skilled Public Safety Communication Dispatcher; and

WHEREAS, the role Public Safety Communication Dispatchers play in ensuring public safety occurs behind the scenes and is seldom recognized; and

WHEREAS, Public Safety Communication Dispatchers serving the County of Lancaster exhibit professionalism, efficiency and compassion during the performance of their essential duties; and

WHEREAS, the Association of Public Communication Officials has designated the second week in April to recognize Public Safety Telecommunication Officers;

NOW, THEREFORE BE IT RESOLVED, that the Lancaster County Board of Supervisors hereby declares the week of April 14th through 20th, 2019 as Public Safety Telecommunications Week in honor of the men and women of Lancaster County who serve that critical role in the protection and preservation of life and property.

Mr. Bellows made a motion to Approve the Consensus Docket.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye

CONSIDERATION DOCKET

The Board considered the following items on its Consideration Docket:

1. Approval of March 2019 Salaries and Invoice Listings

The motion was made by Mr. Palin to approve the salaries for March 2019 in the amount of \$279,407.89 and invoice listings for March 2019 in the amount of \$530,429.97*.

*Capital Improvements - \$8,700.98

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye

2. Consideration of RFP Results and Award of Financing for a \$2 Million Lease Bond Note for Capital Improvement Items

R. T. Taylor from Davenport and Company stated that he wanted to give an overview of the requests for proposal results concerning the \$2 million dollar lease bond note. He stated that, in early March, on behalf of the County, Davenport and Company distributed a bank RFP to assess the financing options for the purchase of the land and some architectural engineering fees associated with the proposed school capital project. He stated that they looked at everything from a two-year to a six-year short-term note where the County would pay interest only payments and presumably roll it over in permanent financing later as well as other traditional options where they would be locking into permanent financing over five, seven or ten years.

Mr. Taylor stated that they received bids on March 19th with seven proposals from seven different banks. He stated that Zions Bank provided the lowest interest rates across the board. He stated that Chesapeake Bank provided the cover rates for the two-year note, the three-year note and the four-year note. He stated that Union Bank and Trust provided the cover rates on options four and five with slightly longer terms. He stated that both Zions Bank and Chesapeake Bank have very favorable pre-payment provisions. He referred to Zions Bank and stated that, while their rates are favorable, they require more conditions on the collateral. He went through every scenario with each institution.

Mr. Larson referred to the added costs of Zions Bank versus BB & T and asked if those costs were already incorporated in the comparisons shown.

Mr. Taylor replied yes. He stated that any incremental costs over and above \$2 million dollars were incorporated into the debt service numbers. He stated that, in the case of Zions Bank, they would require more title work, so they have included a \$5,000 estimate to cover those costs. He stated that BB & T has a \$5,000 estimate included because they will have their own lender's counsel review the documents. He stated that some banks don't have those incremental costs. He stated that Zions Bank wants additional collateral, which may be more cumbersome.

Mr. Larson asked about the additional collateral.

Mr. Taylor stated that he would let bond counsel, Jesse Bausch, from Sands Anderson explain that part.

Mr. Bausch stated that Zions Bank is a national firm and they are asking for some different things not normally seen in Virginia. He stated that the bond would be through the Economic Development Authority and the County would have to put up collateral.

Mr. Taylor stated that Chesapeake Bank is willing to provide the loan with the land and the lease between the EDA and the County and that is all they require. He stated that Zions Bank is asking for additional collateral because they want the loan to be one hundred percent collateralized in value. He stated that would require an additional

County facility and working with Mr. Gill, they have identified some potential facilities that are unencumbered.

Mr. Larson asked about the identified facilities.

Mr. Gill replied that the Social Services building is valued at approximately \$1.3 million and when that is added to the sale price of the recently purchased property, that total gets them to one hundred percent of the loan value of \$2 million dollars.

Mr. Lee stated that he thought the question was whether they wanted to do the loan locally or go with a national firm such as Zions Bank.

Mr. Taylor stated that his firm has worked with Zions Bank before and they are very competitive in the municipal market.

Mr. Taylor stated that a decision would need to be made between short-term and long-term financing. He referred to scenario eight and stated that, with the ten-year loan, the annual payment with either BB & T or Zions Bank would be roughly \$230,000 a year, beginning in 2020. He referred to scenario three, with the four-year note, and stated that the interest only payment each year would be about \$50,000, until they determined what the permanent financing would be.

Mr. Bellows asked if the short-term notes were interest only.

Mr. Taylor replied yes.

Mr. Larson stated that the risk is that future interest rates could be higher. He asked if it was fair to say that the interest rates are going to rise.

Mr. Taylor replied that, as of late, the municipal borrowing interest rates have trended slightly down.

Mr. Larson asked what Mr. Taylor would recommend.

Mr. Taylor replied that there were some great low rates regardless of which term the County decides to go with. He stated that it was up to the Board to decide whether they wanted to start paying \$50,000 a year in interest until permanent financing is determined or start amortizing principal and interest immediately and pay it off in ten years or less.

Mr. Bellows stated that his preference would be to start amortizing.

Dr. Westbrook stated that he thought the interest only payment option would be throwing money away. He thought they should start amortizing the loan.

Mr. Bellows stated that it made more fiscal sense.

Mr. Bausch stated that, in making their decision, they need to make sure that what they are doing today will fit in with what they plan to do later.

Mr. Bellows stated that he thought the choice should probably be Zions Bank with the ten-year term. He stated that he knew it was an extra step with the collateral, but in the end, it is cheaper.

Mr. Palin asked if, instead of the Social Services Building, could they use the Primary School as collateral.

Mr. Gill replied that the Primary School has already been collateralized with the 2014 borrowing.

Mr. Gill asked if they go the route of offering the Sheriff's Office building, which is valued at more than one hundred percent of the loan value, would the property that was just purchased still be part of the collateral.

Mr. Taylor replied that it would be a little over collateralized, but there would be only one piece of property instead of two.

Mr. Lee stated that, instead of tying up two pieces of collateral, just having one would be better.

Mr. Gill suggested not being specific in the motion concerning the collateral and just say one piece of collateral.

Mr. Larson made a motion that the Board of Supervisors Accept the Proposal from Zions Bank, Scenario Number Eight with One Piece of Collateral.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye

3. Resolution Authorizing a \$2 Million Lease Bond Note for Capital Improvement Items

WHEREAS, the Board of Supervisors (**the “Board of Supervisors”**) of the County of Lancaster, Virginia (**the “County”**) directed Davenport & Company LLC (**the**

“Financial Advisor”) to prepare and distribute a Request for Proposals (**the “RFP”**) to obtain financing proposals to finance a portion of the costs of the acquisition of a parcel of property expected to be developed for school and parks purposes in the County and planning and design costs related to County capital projects (**the “Project”**);

WHEREAS, the Financial Advisor reviewed responses to the RFP for the financing of the Project and along with the County’s Bond Counsel, Sands Anderson PC, Richmond, Virginia (**“Bond Counsel”**) and the County Administrator, recommend that the Board of Supervisors accept the proposal (**the “Proposal”**) from Zions Bank (**the “Lender”**) for such financing with an interest rate as set forth in such Proposal and subject to such other terms as set forth therein;

WHEREAS, the Board of Supervisors wants to request the Economic Development Authority of Lancaster County, Virginia (**the “Authority”**) (a) issue, offer and sell its (i) lease revenue bond in an amount of approximately \$2,000,000 (**the “Bond”**) to provide for the financing of a portion of the cost of the Project, including cost of issuing the Bond, (b) lease County property of collateral value approximating the principal amount of the Bond as designated by the Chariman or Vice Chairman (**the “Leased Property”**) from the County for an approximately ten year term under a ground lease, and in turn, lease the Leased Property to the County for a term not to exceed the term of the Bond under a lease agreement with the Authority and, (c) secure the Bond by an assignment of its rights under such lease agreement (except the right to receive indemnification, to receive notices and to give consents and to receive its administrative expenses) under an assignment agreement, which is to be acknowledged and consented to by the Lender and the County, all in accordance with a bond purchase agreement;

WHEREAS, there have been presented to this meeting drafts of the following documents (**collectively, the “Documents”**) in connection with the transactions described above, copies of which shall be filed with the records of the Board of Supervisors:

- a. a Ground Lease, dated as of April 1, 2019, between the County and the Authority conveying to the Authority a leasehold interest in the Leased Property described therein (**the “Ground Lease”**);
- b. a Lease Agreement, dated as of April 1, 2019, between the Authority and the County (**the “Lease Agreement”**) conveying to the County a leasehold interest in such Leased Property;
- c. a Bond Purchase Agreement, dated as of April 1, 2019 among the Authority, the County and the Lender, pursuant to which the Bond is to be issued (**the “Bond Purchase Agreement”**);
- d. an Assignment Agreement, dated as of April 1, 2019 between the Authority and the Lender, assigning to the Lender certain of the Authority’s rights under the Lease Agreement and the Ground Lease, which is to be acknowledged and consented to by the County (**the “Assignment Agreement”**); and

e. a Specimen Bond.

NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Lancaster, Virginia:

1. All costs and expenses in connection with the undertaking of the cost of the Project and the issuance of the Bond, including the Authority's expenses, the fees and expenses of the County, and the fees and expenses of Bond Counsel, the County Attorney, the Financial Advisor and the Lender, and other fees and expenses related thereto, for the sale of the Bond, shall be paid from the proceeds therefrom or other funds of the County. If for any reason the Bond is not issued, it is understood that all such expenses shall be paid by the County and that the Authority shall have no responsibility therefor.
2. The Board of Supervisors hereby instructs the Financial Advisor and Bond Counsel to take all such action as necessary or appropriate to conclude the purchase of the Bond by the Lender.
3. The following plan for financing a portion of the cost of the Project is approved. The Authority shall use the proceeds from the issuance of the Bond to provide for the financing on behalf of the County of a portion of the cost of the Project and to lease the Leased Property from the County for a lease term of approximately ten years and to lease the Leased Property to the County for a lease term not less than the term of the Bond at a rent sufficient to pay when due the interest and principal on the Bond. The obligation of the Authority to pay principal and interest on the Bond will be limited to rent payments received from the County under the Lease Agreement. The obligation of the County to pay rent under the Lease Agreement will be subject to the Board of Supervisors of the County making annual appropriations for such purpose. The Board of Supervisors on behalf of the County has adopted this resolution as its moral obligation to the repayment of the Bond and as a statement of its intent to consider the appropriation of funds sufficient to pay rent under the Lease Agreement annually during the term thereof. The Bond will be secured by an Assignment Agreement to the Lender as the holder thereof. If the Board of Supervisors exercises its right not to appropriate money for rent payments, the Lender may terminate the Lease Agreement or otherwise exclude the County from possession of the Leased Property. The issuance of the Bond on the terms set forth in a Bond Purchase Agreement is hereby approved.
4. The Board of Supervisors hereby approves the Proposal and the Documents and the form of the Bond in the principal amount of not to exceed \$2,000,000, with a fixed interest rate not to exceed 2.79%, for an amortization of approximately 10 years from its date of issuance, subject to other terms as set forth therein with such changes, including but not limited to changes in the amounts, dates, payment dates and rates as may be approved by the officer executing them whose

signatures shall be conclusive evidence of his approval of the same. The County Administrator or Chairman is hereby authorized to determine the final terms of the Bond, including, but not limited to the principal amount, maturity and amortization, whose determination shall be conclusive, as evidenced by his execution of such Bond.

5. The Chairman or Vice Chairman of the Board of Supervisors, or either of them, and the County Administrator and Clerk of the Board of Supervisors are each hereby authorized and directed to execute the Documents and such other instruments and documents as are necessary to create and perfect a complete assignment of the rents and profits due or to become due in favor of the Lender, to issue the Bond, to finance the Project and to lease the Leased Property. The County hereby requests the Authority to issue the Bond pursuant to and in accordance with the Documents.
6. The County represents and covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bond to be an “arbitrage bond” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (**the “Code”**) or otherwise cause the interest on the Bond to be includable in gross income for Federal income tax purposes under existing law. Without limiting the generality of the foregoing, the County shall comply with any provision of law that may require the Authority or the County at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds from the sale of the Bond.
7. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.
8. All other acts of the officers of the County that are in conformity with the purposes and intent of this resolution and in furtherance of the plan of financing, the issuance and sale of the Bond and the financing of the Project, are hereby approved and ratified.
9. The County by acceptance of this financing agrees to indemnify, defend and save harmless, to the extent permitted by law, the Authority, its officers, directors, employees and agents from and against all liabilities, obligations, claims, damages, penalties, fines, losses, costs and expenses in any way connected with the Authority, the issuance of the Bond or the lease of the Leased Property.
10. Nothing in this Resolution, the Bond or any documents executed or delivered in relation thereto shall constitute a debt or a pledge of the faith and credit of the Authority or the County, and the Authority shall not be obligated to make any

payments under the Bond or the Documents except from payments made by or on behalf of the County under the Lease Agreement pursuant to annual appropriation thereof in accordance with applicable law.

11. The County hereby designates the Bond, and allocates to the Authority in relation to the issuance of the Bond, such designation as a “qualified tax-exempt obligation” for the purpose of Section 265(b)(3) of the Code. The County does not reasonably anticipate (nor do any of its subordinate entities reasonably anticipate) issuing more than \$10,000,000 in qualified tax exempt obligations during calendar year 2019 for the benefit of the County and the County (and any of its subordinate entities) will not designate more than \$10,000,000 of qualified tax-exempt obligations for the benefit of the County pursuant to Section 265(b)(3) of the Code during such calendar year.
12. The Board of Supervisors on behalf of the County hereby designates to the Bond the “small issuer exception” to the rebate requirements of Section 148(f)(2) and (3) of the Code pursuant to Section 148(f)(D)(vii) of the Code, as the Authority is a subordinate entity of the County under Section 148(f)(4)(D) of the Code and the County is a governmental unit with general taxing powers, no bond which is a part of the Bond will be a private activity bond, 95% or more of the net proceeds of the Bond are to be used for local governmental activities of the County, and the aggregate face amount of all tax-exempt bonds, excluding private activity bonds to be issued by the County and the Authority during the calendar year 2019 is not reasonably expected to exceed \$5,000,000 increased by the lesser of \$10,000,000 or so much of the aggregate face amount of the Bond as is attributable to financing the construction of public school facilities within the meaning of Section 148(f)(D)(vii). The Board of Supervisors on behalf of the County hereby allocates to the Authority a portion of its small issuer size limitation in the amount of the Bond for the calendar year 2019 to the Bond for purposes of Section 148(f)(4)(D) of the Code.
13. The Board of Supervisors has determined to authorize the County, if and as necessary, to utilize SNAP in connection with the investment of the proceeds of the Bond.
14. This resolution shall take effect immediately.

Mr. Lee made a motion to Adopt the Resolution Authorizing a \$2 Million Lease Bond Note for Capital Improvement Items.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye

William R. Lee Aye

Robert S. Westbrook Aye

BOARD REPORTS

Mr. Lee stated that they heard from two gentlemen at tonight's meeting voicing their concerns about the litter in the County. He stated that one of the gentlemen touched on the subject of what he calls "litter blindness." He stated that one can see things for a certain way for so long, that it almost becomes normal and he thought that was what was happening in this County and throughout the Commonwealth concerning litter. He stated that this troubles him. He stated that a culture change needed to take place. He stated that the litter that is already on the ground has to be addressed and different groups of people throughout the County are picking up trash. He stated that he would like to see the County government set aside a clean-up day and promote that day. He stated that he had in mind the date of Saturday, April 27th. He stated that they could ask church groups, non-governmental agencies and other organizations to become involved and try to get as many roads cleaned up as they can. He stated that, beyond that date, they need to focus on how to keep the roads clean. He suggested putting ads in the local paper and having radio announcements to get the word out. He stated that it was also important to get the young kids involved because that will teach them to not litter. He stated that they would need to contact VDOT about bags and vests. He stated that he would like the Board to adopt the date of April 27th as the county-wide clean-up day.

Mr. Larson stated that he supported Mr. Lee's idea. He stated that, in the past, VDOT would do a good clean-up before they started mowing. He stated that they stopped doing that because of funding issues. He stated that he would like to find a way to get some of that funding restored, so that there could be trash pick-up before mowing.

Mr. Bellows stated that it was his understanding, from one of the last times Robert Harper came before the Board, VDOT was going back to in-house mowing this season and do the two litter pick-ups that they had done before.

Mr. Gill stated that it was also his understanding that VDOT was going back to two litter pick-ups a year.

Dr. Westbrook asked what happens with the bags of trash.

Mr. Gill replied that VDOT will usually pick them up.

Mr. Lee stated that they could also put the bags in a pick-up and take them to the refuse site themselves.

Mr. Bellows stated that he thought Mr. Lee's idea was great and a good way to continue to try to curb this problem.

Mr. Lee made a motion to Declare April 27, 2019 as the County Wide Clean-up Day.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye

Mr. Lee stated that the big question is how do they change the culture. He stated that they have talked about it with the Sheriff's Department and they have signs being installed.

Mr. Bellows stated that, when he was younger, there was a campaign slogan that said "Give a Hoot, Don't Pollute" and there was a campaign that went on in the elementary schools. He stated that they should try to get the schools involved in the initiative.

Mr. Larson stated that, about fifteen years ago, there was a competition in the schools to come up with an anti-littering poster and the winner received an award and recognition in the local paper, so that might be an idea to go with again.

Mr. Lee stated that he would try to reach out to Dan Russell, the Assistant School Superintendent, to see what ideas he may have.

Mr. Larson stated that they have not had a VDOT representative at a meeting for some time and he asked Mr. Gill if he could reach out and let them know that Route 354 has some potholes that needed to be patched.

Mr. Gill asked what area of Route 354.

Mr. Larson replied that the ones he was aware of were from Route 201 down to Bertrand.

Mr. Gill stated that he would pass that information on to VDOT.

Dr. Westbrook stated that he had three recommendations that he would like to put forth at tonight's meeting. He read his report: "First, we have learned from Mr. Cornwell that the multiple residential lots that are owned by Virginia Tech are exempt from our property tax rolls even though they are not being used for educational purposes, as far as I know."

“We have a procedure granted to us by the General Assembly for removing certain tax exemptions and I believe we should pursue attempting to remove these properties from our exemption rolls. While I am willing to accept Mr. Cornwell’s determination of the present exempt status of these properties, I am hopeful that we will be successful in returning them and possibly others that we might also identify to our tax rolls. The procedure calls for us to submit a list of organizations to the General Assembly for which we wish to remove the exempt status and we must do this before the first day of a General Assembly session, unless requested by the Governor.”

“I believe it is in the taxpayers’ best interest if we agree that returning all appropriate properties to the tax rolls is a worthy endeavor and I would like for us to ask Mr. Gill to designate some individual or group of his choosing to review all of our present exemptions to identify any other possible properties and that we follow through with a formal request to the General Assembly for the removal of all possible qualifying properties from the exempt category.”

Mr. Bellows asked that, when Dr. Westbrook says to ask the General Assembly, does he mean introduce a bill.

Mr. Cornwell stated that the Board would ask a member of the General Assembly to introduce a bill.

Mr. Cornwell stated that the reason that the Virginia Tech property has a tax-exempt status was not because it fits under the educational category, but because it fits under being owned by the Commonwealth.

Dr. Westbrook stated that it was worth a shot.

Dr. Westbrook made a motion to have the County Administrator or one of his staff members review the list of tax-exempt properties and decide what properties should be submitted to the General Assembly to be removed from the categorical allowance and ask that their representatives in the General Assembly submit the request.

Mr. Bellows stated that he was in favor of the idea, but did not see it going anywhere.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye

Dr. Westbrook continued his board report, “Secondly, the Board of Supervisors will depend upon the expertise and advice of the Broadband Authority before and during our contract discussions with Atlantic Broadband but, unfortunately, the Authority continues to experience many critical questions as yet unanswered by them. The possibility exists that there may not be a full realization on Atlantic Broadband’s part that the Authority has the Board’s full confidence and has been tasked to receive answers to these critical questions.”

“I believe we need to remedy this misconception and I would move that we unequivocally identify the Lancaster Broadband Authority as the agent of the Board of Supervisors that is charged and required to collect all pertinent information that the Board of Supervisors will need in preparation for contract discussions with Atlantic Broadband.”

“Further, if you agree, I would like for us to ask Mr. Gill to inform Atlantic Broadband of our position and convey our expectation of their full cooperation with the Broadband Authority to insure that these long-delayed, but very necessary discussions will begin as soon as possible, to the benefit of all parties.”

Dr. Westbrook stated that his motion is that they unequivocally identify the Lancaster Broadband Authority as the agent of the Board of Supervisors that is charged and required to collect all pertinent information that the Board will need in preparation for contract discussions with Atlantic Broadband.

Mr. Larson asked if that language was already in the Lancaster Broadband Authority’s charter.

Mr. Cornwell stated that he did not believe that language was in the charter.

Mr. Bellows called the question concerning Dr. Westbrook’s motion.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye

Dr. Westbrook stated that he would like for the Board to agree to issue either an RFQ or RFP to consider companies qualified to research the online sites that deal with short-term rentals. He stated that he thought it might be most efficient if they allowed a third party to act on the County’s behalf. He stated that all he was talking about was

looking at the companies that do this service for localities and find those that have not voluntarily admitted that they are engaging in the business of short-term rentals.

Mr. Palin stated that his concern was about the cost.

Dr. Westbrook stated that they were just looking and not signing a contract at this time. He stated that they could just look at costs and effectiveness of these companies first.

Mr. Gill stated that he could do some research on the companies and bring some prices back to the Board.

Dr. Westbrook asked if it was better to do a RFQ in this situation since that could tell them about the experience of the companies and their effectiveness.

Mr. Cornwell replied that it was probably better to do a RFP because if the Board finds a company it wants to work with, than a contract can be entered into.

Dr. Westbrook asked if they needed a motion.

Mr. Gill replied that if the Board just wanted him to do some general research and bring prices back, then a motion was not needed. He stated that if the Board wants to proceed with a RFP, then a motion was needed.

Mr. Bellows stated that he would like Mr. Gill to bring the Board some general information back first and then they could go from there.

Mr. Bellows referred to his board report and stated that, in today's paper, there was a petition to the Board of Supervisors about holding a referendum. He stated that the next step in this process is that it has to go before the School Board. He stated that this Board has already voted, 4-1, in favor of a referendum, so the notion that the Board of Supervisors is not in favor of it is flat out false. He stated that he would suggest that the people that are circulating the petition send it to the right board, which would be the School Board.

Mr. Bellows stated that another claim made in the paper was that the cost of renovations has not been thoroughly studied and that claim is also false. He stated that the study from RRMM from 2013 looked at six types of renovations and the associated costs. He stated that the estimate came to approximately \$36 million dollars and in today's dollars, that estimate would be closer to \$45 or \$50 million. He stated that does not even include what it would cost to stage the process and have students in trailers during the renovation period. He stated that he would encourage people to educate themselves on the issues.

Mr. Larson stated that Mr. Bellows was clearly showing his preferences to what he wanted to do about schools. He stated that Mr. Bellows says the facts are incorrect, but

in his mind, that was debatable. He stated that these citizens have a genuine concern, not just about the school buildings, but about the dollar amount and what financing that amount of money will do to the County. He stated that those citizens had every right to advertise like they did and deliver a petition. He stated that when they voted for the referendum, they thought that they could initiate it, but then found out from the County Attorney that the School Board had to initiate it. He stated that he didn't agree when someone said that everyone will vote against it, so there should be no referendum. He stated that he thought they lived in a democracy and should consider the people they represent.

Mr. Bellows stated that he knew there was a lot of concern out there and that was why he brought it up. He stated that people needed to send the petition to the correct board. He stated that, if a referendum goes to the voters, the facts are important.

Mr. Larson stated that the facts were also important when it was told that \$70 million dollars worth of new schools could be financed on three cents of increased taxes. He stated that he didn't remember Mr. Bellows questioning that.

Mr. Bellows stated that he had not seen a credible plan come before this board to be voted on. He stated that facts need to come before conjecture. He referred to Mr. Larson and called a point of order. He stated that he was entitled to give his board report and he should not be questioned by another member. He stated that he was merely making the point that these citizens said they were going to send their petition to the Board of Supervisors for a referendum and the School Board is actually the next step in the process. He stated that facts are also incorrect when it is said that renovation costs have not been evaluated, when in fact, they have.

Mr. Larson stated that the study on renovations was done six years ago.

Mr. Bellows stated that he was finished with his board report.

COUNTY ADMINISTRATOR

Mr. Gill stated that the County closed on the Beale property on Monday.

Mr. Gill stated that there had been much discussion concerning litter. He stated that they had ten signs made and was confident that they could be installed by the County Wide Clean-Up Day on April 27th.

Mr. Lee asked Mr. Gill for the newspaper clipping that Mr. Vick had referred to during the public input portion.

Dr. Westbrook stated that he believed that he was the one to which the article referred to. He stated that he would stand behind it. He stated that it was the School Board's responsibility to tell the Board of Supervisors what they want. He stated that it is also the School Board's responsibility to request, by resolution, to hold a referendum. He

stated that, in his opinion, the Board of Supervisors deserves to have a conversation with the architects to find out how they got to the most recent number. He stated that, not even a year ago, Davenport and Company spoke to them about financing \$80 million dollars. He stated that he would like to know how the figure went from \$80 million to \$114 million and how they might be able to pare it down to still have all of the benefits, but not at that cost.

Mr. Larson stated that, what he did not want to see happen, is that the figure comes through the Capital Improvement Budget, just throwing the number at them without any explanation. He stated that, what they should do, if it comes that way, is simply send it back and tell them it will not be included in the Capital Improvement Budget. He stated that the School Board should be told if they want the school project, then they need to request a referendum. He stated that would be the right thing to do. He referred to the \$40 million dollar figure from last year and stated that he was not sure that was VMDO's number. He stated that he recalled hearing that figure during a presentation by the schools and Dr. Parker told him a month before the meeting that the figure would be \$46 million and not \$70 million. He stated that the problem with that was it was smoke and mirrors because \$46 million was only going to buy them half of the schools that they had been talking about before that. He stated that was how they got to the \$80 million dollar figure because \$46 million had been presented for grades K-5 and to get schools for 6-12, it would be about double the price.

Dr. Westbrook stated that he had been a part of that conversation because the Chairman of the Facilities Committee had come to him and suggested that they take the new schools in stages. He stated that he initially thought that was a more reasonable idea. He stated that they thought they could do the elementary school part for \$46 million, but after he thought about it, it did not seem to be such a good idea. He stated that, if the County borrowed just for the elementary school portion, it would put the other schools off forty more years and that was when he changed his opinion.

ADJOURNMENT

Mr. Bellows made a motion to adjourn the meeting to Tuesday, April 9, 2019.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye