

A G E N D A

JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS

County Government Center Board Room

July 22, 2008

7:00 P.M.

A. CALL TO ORDER

B. ROLL CALL

C. CONSENT CALENDAR

1. Minutes – June 24, 2008, Regular Meeting
2. Bid Award – Riverview Plantation Water System Replacement
3. Bid Award – Engineering Services for Design of the Improvements for B-32 (Route 199 Booster Facility)

D. PUBLIC HEARING

1. Easement Dedication – Joshua’s Glen

E. BOARD CONSIDERATION

1. Bond Resolution – Project Development Agreement

F. BOARD REQUESTS AND DIRECTIVES

G. ADJOURNMENT

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AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 24TH DAY OF JUNE 2008, AT 7:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. CALL TO ORDER

B. ROLL CALL

James O. Icenhour, Jr., Chairman
Mary Jones, Vice Chairman
Bruce C. Goodson
John J. McGlennon
James Kennedy

Sanford B. Wanner, Secretary
Leo P. Rogers, County Attorney
Larry Foster, General Manager

C. CONSENT CALENDAR

Mr. Foster gave an overview of the items on the Consent Calendar.

Mr. McGlennon made a motion to adopt the items on the Consent Calendar.

On a roll call vote, the vote was AYE: McGlennon, Goodson, Jones, Kennedy, Icenhour (5). NAY:
(0).

1. Minutes – May 27, 2008, Regular Meeting

D. BOARD REQUESTS AND DIRECTIVES

Mr. McGlennon asked for an update on the Hampton Roads Utility Billing Service (HRUBS) billing status and County water use.

Mr. Foster stated there was progress being made with the HRUBS billing system and that the James City Service Authority (JCSA) just mailed the March quarterly bills. He noted the April quarterly bills would be sent to the Hampton Roads Sanitation District (HRSD) in the next one week to ten days and May bills would go out in about 30 days, which would put the bills up to date. He stated in the Newport News area there was not as much progress as he had hoped and since there was another agency involved, there was some additional delay. He indicated that in order to catch up with the billing cycle, the JCSA would need to issue

bills for a four-month period rather than a two-month period. He said monthly bills are within a month of being caught up and will be on schedule in early September.

Mr. Foster gave an update on County water use, indicating that water demands had increased due to the season, with a peak of 8.4 MGD. He stated that on average usage has stayed in the 7-8 MGD range, similar to the level that was seen last year during August. He said the peak demands were during irrigation time in the morning from 5 to 7 a.m., during which the system saw demands of 18 MGD if continued for a 24-hour period. He stated there was technology that allowed staff to monitor the system and it was responding very well to the demands, particularly with the added water storage.

Mr. Goodson asked how the water irrigation schedule was being enforced.

Mr. Foster stated this week the schedule was being enforced and staff was asked to monitor this during the restricted times. He said for violations warnings would be issued, and then if the property owner was not respondent, the JCSA would have police enforce the ordinance.

Mr. Goodson asked how the notice was displayed.

Mr. Foster stated a notice of violation was hung on the door to educate people of the violation.

Ms. Jones stated that ongoing education should be reinforced as far as irrigation and overwatering.

Mr. McGlennon noted the 8.4 MGD as a new peak.

Mr. Foster stated that was the highest average the County has seen.

Mr. McGlennon noted that in the afternoon work session the Board learned that the irrigation needs in Stonehouse at buildout would be approximately 2 MGD and the entire force of the system had peaked at 8.4 MGD.

E. ADJOURNMENT

Mr. McGlennon made a motion to adjourn.

At 10:29 p.m. Mr. Icenhour adjourned the Board.

Sanford B. Wanner
Secretary to the Board

MEMORANDUM

DATE: July 22, 2008
 TO: The Board of Directors
 FROM: Larry M. Foster, General Manager, James City Service Authority
 SUBJECT: Bid Award – Riverview Plantation Water System Replacement

In 2004 the Board of Supervisors approved a Special Use Permit for the installation of a waterline from Wexford Hills to Riverview Plantation along Riverview Road. The waterline was installed to provide an alternate water source to serve the Riverview Plantation neighborhood. The development had experienced water quality and supply issues for years. The waterline was installed in 2005.

The Board created a service district in order to collect \$5,000 per household to offset the estimated \$1.3 million in costs to upgrade the water system. All of the fees have been paid. The system upgrades included three phases: 1) Wexford/Riverview waterline installation; 2) Riverview Water System Replacement; and 3) Wexford Well Facility upgrade.

The plans and specifications for the Riverview Plantation Water System Replacement have been advertised and competitive proposals publicly opened with 17 firms submitting bids. The firms and bid amounts are as follows:

<u>Firm</u>	<u>Bid Amount</u>
Godsey and Son	\$ 553,092
Metheny Contracting	558,919
Walter C. Via Enterprises	566,576
George Nice and Sons	819,659
Toano Contractors	838,517
PVCO Underground Utilities	874,750
Basic Construction	878,714
Tidewater Utility contractors	947,067
Henderson Contractors	1,014,845
H.S. Branscome	1,040,433
Peters and White	1,097,292
W.R. Hall	1,109,345
Franklin Mechanical Contractors	1,148,681
Key Contractors	1,235,849
Suburban Grading	1,279,289
JCB Construction	1,379,518
Inner View	1,567,868

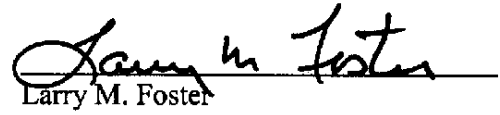
The low bid of \$553,092 submitted by Godsey and Son is below the design engineer’s estimate of \$1.2 million and within budget. Godsey and Son favorably performed similar work for the James City Service Authority in the past and has been determined capable of completing the scope of services required for this project.

Bid Award – Riverview Plantation Water System Replacement

July 22, 2008

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Staff recommends adoption of the attached resolution awarding the contract for the Riverview Plantation Water System Replacement project to Godsey and Son.



Larry M. Foster

LMF/nb

RPBidAwd_mem

Attachment

RESOLUTION

BID AWARD – RIVERVIEW PLANTATION WATER SYSTEM REPLACEMENT

WHEREAS, plans and specifications for the Riverview Plantation Water System Replacement were advertised and the bids ranging from \$553,092 to \$1,567,868 submitted by 17 firms publicly opened; and

WHEREAS, Godsey and Son, who submitted the low bid of \$553,092, has been determined capable of providing the services necessary for the successful completion of the projects; and

WHEREAS, the project bid is below the design engineer's estimate and funds are available in the James City Service Authority budget.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the contract for the Riverview Plantation Water System Replacement to Godsey and Son for a contract amount of \$553,092.

James O. Icenhour, Jr.
Chairman, Board of Directors

ATTEST:

Sanford B. Wanner
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 22nd day of July, 2008.

RPBidAwd_res

M E M O R A N D U M

DATE: July 22, 2008

TO: The Board of Directors

FROM: Michael Vergakis, Chief Engineer, Water, James City Service Authority

SUBJECT: Contract Award – Engineering Services for Design of the Improvements for B-32 (Route 199 Booster Facility)

A major component of the Water Master Plan is the purchasing of water from Newport News Waterworks (NNWW). The improvements to the above facility will allow up to 4.0 million gallons per day of potable water from NNWW to be pumped into the James City Service Authority (JCSA) distribution system. The facility will also continue to remain as a booster facility on the JCSA water system pending the purchasing of water from NNWW. The facility is scheduled to be operational prior to the need to purchase the water from NNWW. The scheduled completion of all construction is 2009 and will cost approximately \$1.2 million.

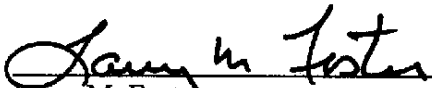
Engineering firms interested in assisting JCSA in the design and start-up of the facility were invited to submit a proposal of qualifications through the Request for Proposal process.

Of the six firms submitting proposals, three were asked to expand on their background, experience, and understanding of the project, project approach, and opportunities for innovation. The three firms were interviewed by a six-member staff team. Gannett Fleming, Inc. is the top selected firm of the three interviewed. Once selected, a fee of \$169,460 has been negotiated based on an agreed-upon scope of services and is within budget.

Staff recommends that the Board approve the attached resolution awarding the Contract for Engineering Services for Design of the Improvements for B-32 (Route 199 Booster Facility) to Gannett Fleming, Inc. for a fee of \$169,460.

Michael Vergakis

CONCUR:


Larry M. Foster

LMF/tlc
B32Improve_mem

Attachment

RESOLUTION

CONTRACT AWARD - ENGINEERING SERVICES FOR DESIGN

OF THE IMPROVEMENTS FOR B-32 (ROUTE 199 BOOSTER FACILITY)

WHEREAS, the Water Master Plan provides for the purchasing of potable water from Newport News Waterworks as a key component of the strategy to meet the projected water demands for James City County; and

WHEREAS, interested engineering firms were invited to submit a Statement of Qualification as part of the process for selecting an engineering consultant to design the planned improvements; and

WHEREAS, a six-member staff team negotiated a fee of \$169,460 for an agreed-upon Scope of Services to perform the engineering design and support work required for these improvements to this facility.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby authorizes the award of a contract to provide engineering services for the Booster Station improvements to Gannett Fleming, Inc., in the amount of \$169,460 for the design services associated with the improvements to this booster station.

James O. Icenhour, Jr.
Chairman, Board of Directors

ATTEST:

Sanford B. Wanner
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 22nd day of July, 2008.

B32Improve_res

MEMORANDUM

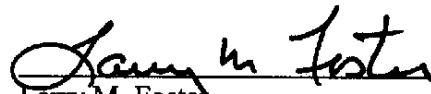
DATE: July 22, 2008
TO: The Board of Supervisors
FROM: Larry M. Foster, General Manager, James City Service Authority
SUBJECT: Easement Dedication - Joshua's Glen

This item was advertised for the Board of Directors when it should have been for the Board of Supervisors, since the easement rights would be transferred to the James City Service Authority (JCSA) from the County. After opening the public hearing, no action is required. The appropriate advertisement will be made for the Board of Supervisors at its August 12, 2008, meeting.

During construction a sewer line accidentally encroached on three parcels owned by James City County in Joshua's Glen Development. This meeting has been advertised as a public hearing on dedicating to the James City Service Authority (JCSA) the areas of the parcels where the sewer line has encroached.

The dedication of the easement will not impact the value or development potential of the parcels. From a historical perspective the three parcels were paid for by the JCSA as part of the Ware Creek Reservoir project.

After conducting a public hearing, it is recommended that the Board approve the attached resolution authorizing the County Administrator to sign the appropriate documents necessary to dedicate the easement.


Larry M. Foster

LMF/gb
JoshuasGlen_mem

Attachment

MEMORANDUM

DATE: July 22, 2008

TO: The Board of Directors

FROM: Robert H. Smith, Assistant General Manager, James City Service Authority

SUBJECT: Resolution Authorizing the Issuance by the James City Service Authority of its Water and Sewer System Revenue Bonds, Series 2008 and Other Matters in Connection Therewith

The James City Service Authority (JCSA) on March 25, 2008, entered into a Project Development Agreement (PDA) for long-term water supply with the City of Newport News. James City County has supported Newport News in its efforts to obtain permits to build the King William Reservoir since 1993 with a plan of purchasing 4 million gallons per day of the reservoir's 20 million gallon per day safe yield. The project is estimated to cost \$250 million and projected to be completed in the 2020 timeframe. Newport News has determined that it has adequate water to supplement the JCSA groundwater to meet James City County's water needs until the King William Reservoir or another water supply project is available.

The overarching terms of the PDA are as follows:

- The JCSA can purchase 5 million gallons of water per day on an annual average unless certain drought benchmarks as defined in the Newport News Drought Management Plan are met, at which point the available water will be reduced based on the benchmarks.
- Average daily water for peak demands can be as high as 6.5 million gallons per day.
- The JCSA will pay Newport News \$50 million for the water in two installments - \$25 million by December 31, 2008, and the remaining \$25 million (subject to an inflation clause) by June 30, 2019.
- JCSA will be responsible for and will pay 20 percent of the operating and fixed costs of the project annually.
- Newport News will treat the water based on costs of treatment with the first-year costs beginning at \$.70 per 1,000 gallons.
- The provision of the water is not dependent on the construction of the King William Reservoir.

The JCSA intends to issue up to \$28.5 million in revenue bonds to finance the first payment of the PDA. In January 2008, representatives of Davenport and Company LLC reviewed the Authority's health as it related to the potential borrowing including options for financing the PDA.

Over the past six weeks, staff has worked closely with Davenport and Troutman Sanders LLP, Bond Counsel to the Authority, to prepare a Preliminary Official Statement (POS), obtain ratings from Moody's Investors Service and Standard and Poor's, and will be evaluating the potential for Aaa/AAA Bond Insurance. In 2003 the Authority obtained Bond Insurance from Financial Security Assurance (FSA) which lowered the Authority's interest costs. FSA is one of two Bond Insurance firms that have not had their ratings downgraded due to involvement with Insuring Collateralized Mortgage Obligations. We will only be talking with these two firms. Bond Insurance would only be used if it was financially advantageous to the Authority. Another advantage of obtaining Bond Insurance is that they typically will also provide a Surety Bond in lieu of cash funding (via bond proceeds) a Debt Service Reserve Fund (DSRF). The DSRF is a cash reserve held by the Bond Trustee on behalf of the bond holders equal to one year of principal and interest for the bonds. If a Surety Bond is not obtainable the size of the bond issue would increase by approximately \$2 million. This fund is required in the bond marketplace for revenue bond issues such as the one contemplated here. It would be held until the final maturity of the bonds at which time it would be available to pay the final year of debt service.

The POS is the offering document that establishes the purpose of the financing and the financial credibility of the

Resolution Authorizing the Issuance by the James City Service Authority of its Water and Sewer System Reserve Bonds, Series 2008 and Other Matters in Connection Therewith

July 22, 2008

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JCSA. It is sent to all potential buyers of the bonds. A competitive sale will be held that will allow firms to purchase the bonds. The plan is to market the bonds in mid-August 2008 at which time a firm rate will be established.


In 2003 a Master Indenture of Trust was set up which establishes the guidelines for the 2003 financing as well as this and future financings. The Master Indenture of Trust establishes that the JCSA will set adequate rates to generate revenues over expenditures to cover 120 percent of the annual principal and interest costs. It also establishes that this and all future debt will be treated equally for bond holders. A Supplemental Indenture is created for each financing. This being the second issuance under the Master Indenture of Trust a Second Supplemental Indenture will be created for this issue. The Master Indenture of Trust and drafts of the POS and Second Supplemental Indenture are available for Board review.

The attached resolution, prepared by Troutman Saunders, authorizes the issuance of the bonds to finance the PDA at a size not to exceed \$28.5 million and a rate not to exceed six percent. The interest rate is also a maximum parameter. Under current market conditions we would expect an interest rate in the 4.75% - 5.00% range. The resolution also authorizes the Chairman or Vice Chairman to sign all documents associated with the issuance of the bonds.

Staff recommends that the Board approve the attached resolution authorizing the issuance of bonds to finance the Project Development Agreement.

Robert H. Smith

CONCUR:



Larry M. Foster

LMF/tlc
PDABondRes_mem.pre

Attachment

RESOLUTION AUTHORIZING THE ISSUANCE BY THE

JAMES CITY SERVICE AUTHORITY OF ITS

WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2008

AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the James City Service Authority (the “Authority”) has established a program pursuant to which it may finance improvements and extensions to its water and wastewater systems (collectively, the “System”) by the issuance of bonds payable solely from the revenues of such System; and

WHEREAS, such bonds are issued pursuant to the terms of a Master Indenture of Trust, dated as of April 1, 2003, as previously supplemented by a First Supplemental Indenture of Trust, dated as of April 1, 2003 (collectively, the “Master Indenture”), between the James City Service Authority (the “Authority”) and SunTrust Bank (predecessor-in-interest to U.S. Bank National Association), as Trustee (the “Trustee”); and

WHEREAS, the Authority at the present time desires to issue its water and sewer system revenue bonds in an amount not to exceed \$28,500,000 (the “2008 Bonds”) and use the proceeds of the 2008 Bonds to (i) finance the purchase from the City of Newport News, Virginia of a “safe yield share” of treated water capacity from the King William Reservoir Project or an alternate water supply source (the “Project”) and (ii) pay related issuance costs and fund reserves; and

WHEREAS, the 2008 Bonds will be issued pursuant to the terms of the Master Indenture and a Second Supplemental Indenture of Trust, dated as of August 1, 2008 (the “Second Supplemental Indenture”), between the Authority and the Trustee (the Master Indenture and the Second Supplemental Indenture being collectively referred to herein as the “Indenture”); and

WHEREAS, in connection with the issuance of the 2008 Bonds, the forms of all of the following documents have been presented to this meeting and filed with the Authority’s records: (i) the Second Supplemental Indenture; (ii) the 2008 Bonds, the form of which is attached to the Second Supplemental Indenture; (iii) the Continuing Disclosure Agreement to be dated on or before the date the 2008 Bonds are to be issued (the “Continuing Disclosure Agreement”) from the Authority; and (iv) the Preliminary Official Statement including the Notice of Sale (the “Preliminary Official Statement”) pursuant to which the 2008 Bonds are to be offered for sale.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, that:

1. The Authority hereby approves the issuance of the 2008 Bonds upon the terms set forth therein and in the Indenture. The 2008 Bonds will be sold by competitive bid. As of the date of this Resolution, the following terms of the 2008 Bonds have not been established: (A) the final principal amount of the 2008 Bonds, including the principal amount of each maturity and of each mandatory sinking fund redemption

payment, (B) the final interest rates, (C) the final price at which the Authority will sell the 2008 Bonds to the purchasers thereof and (D) the optional redemption provisions.

The General Manager of the Authority, in collaboration with the Authority's financial advisor, Davenport & Company LLC (the "Financial Advisor"), shall receive bids for the 2008 Bonds and award the 2008 Bonds to the bidder providing the lowest true or "Canadian" interest cost, all subject to the limitations set forth herein. Prior to the sale of the 2008 Bonds, the General Manager, in collaboration with the Financial Advisor, may change the dated date of the 2008 Bonds and the payment dates provided therein (so long as the interest payment dates are semi-annual) to facilitate the sale and delivery of the 2008 Bonds. The actions of the General Manager in selling the 2008 Bonds shall be conclusive, and no further action with respect to the sale and issuance of the 2008 Bonds shall be necessary on the part of the Authority.

The Chairman and Vice Chairman of the Authority, either of whom may act, are each hereby authorized to approve (i) the final principal amount of the 2008 Bonds, including the final principal amount of each maturity and of each mandatory sinking fund redemption payment, so long as the aggregate principal amount of the 2008 Bonds does not exceed \$28,500,000 and the weighted average maturity of the 2008 Bonds does not exceed thirty-one (31) years, (ii) the actual interest rates to be payable on the 2008 Bonds, so long as the true interest cost of the 2008 Bonds does not exceed six percent (6%) per year, (iii) the final price of the 2008 Bonds, so long as the final price shall not be less than ninety-eight percent (98%) nor more than one hundred five percent (105%) of the aggregate principal amount of the 2008 Bonds and (iv) the optional redemption provisions so long as optional redemptions of the 2008 Bonds will be permitted after ten and one half years (or such shorter period as is determined to be advisable in the pricing of the 2008 Bonds) and at a declining redemption premium (if any) thereafter not in excess of two percent. Such approvals shall be conclusively evidenced by the execution and delivery of the Second Supplemental Indenture by the Chairman or Vice Chairman.

2. The Second Supplemental Indenture, and the Continuing Disclosure Agreement (collectively, the "Bond Documents") and the 2008 Bonds are hereby approved in substantially the forms submitted to this meeting, with such changes, insertions or omissions (including, without limitation, changes of the dates thereof and changes necessary to reflect the final terms of the 2008 Bonds, as described in Paragraph 1 above), as may be approved by the Chairman or the Vice Chairman of the Authority, whose approval shall be evidenced conclusively by the execution and delivery of each such document. The execution, delivery and performance by the Authority of the Bond Documents are authorized and directed.
3. The execution of the 2008 Bonds and their delivery against payment therefor, the amount of such payment to be disbursed in accordance with the terms of the Second Supplemental Indenture, are authorized and directed.
4. The Chairman and the Vice Chairman of the Authority, either of whom may act, are each authorized and directed to execute and deliver on behalf of the Authority the 2008 Bonds and the Bond Documents and, if required, the Secretary is authorized and directed to countersign and affix the Authority's seal to the 2008 Bonds and the Bond Documents on behalf of the Authority. The signatures of the Chairman or Vice Chairman and the Secretary on the 2008 Bonds may be by facsimile.

5. The Chairman, Vice Chairman, General Manager, and any other official of the Authority as may be requested are authorized and directed to execute and deliver on behalf of the Authority such instruments, documents or certificates, including without limitation Internal Revenue Service Form 8038-G, a non-arbitrage certificate and documents related to any bond insurance, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the 2008 Bonds, the Bond Documents or such instruments, documents or certificates. All of the foregoing previously done or performed by such officials of the Authority are in all respects confirmed, ratified and approved.
6. The Authority determines that the issuance of the 2008 Bonds is in accordance with the terms of the Indenture, and all actions of the Authority contemplated thereunder will be in the furtherance of the purposes of the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2 of the Code of Virginia of 1950, as amended.
7. The Preliminary Official Statement is hereby approved in substantially the form submitted to this meeting, with such changes, insertions or omissions as may be approved by officials of the Authority. The Chairman and the Vice Chairman of the Authority, either of whom may act, are each hereby authorized to deem the Preliminary Official Statement to be final, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain pricing and other information allowed to be omitted pursuant to such Rule 15c2-12. The use and distribution of the Preliminary Official Statement, including the Notice of Sale, in the issuance and sale of the 2008 Bonds are hereby authorized.

The officials and staff of the Authority are hereby authorized and directed to assist with the preparation of a final Official Statement, appropriately dated, in the form of the Preliminary Official Statement, with appropriate completions, insertions, omissions and changes as shall be necessary to accurately describe the Authority, the 2008 Bonds, the security therefor, the Bond Documents and the Project. The Chairman and the Vice Chairman of the Authority, either of whom may act, are each authorized and directed to execute and deliver the final Official Statement on behalf of the Authority. The use and distribution of such final Official Statement are hereby approved.

The General Manager shall arrange for the delivery to the successful bidder of a reasonable number of copies of the Official Statement, within seven (7) business days after the 2008 Bonds have been sold, for delivery to each potential investor requesting a copy of the Official Statement and to each person to whom the successful bidder initially sells 2008 Bonds.

8. The Authority hereby approves the procurement of municipal bond insurance as security for the principal and interest payments on the 2008 Bonds if interest cost savings relative to the insurance premium paid will result therefrom. The Chairman, Vice Chairman and General Manager, any of whom may act, are hereby authorized to execute and deliver a commitment for the provision of municipal bond insurance (the "Commitment"). Any amendments to the Bond Documents and 2008 Bonds that are required by the Commitment are also hereby authorized. The Authority also hereby approves the procurement of a letter of credit or bond insurance equal to all or a portion of the Debt Service Reserve Requirement (as defined in the Master Indenture) in lieu of maintaining and depositing money or securities in the Debt Service Reserve Fund created under the Master Indenture. The Chairman, Vice Chairman, and

General Manager, any of who may act, are hereby authorized to execute and deliver a commitment for the provision of such letter of credit or bond insurance.

9. In adopting this resolution, the Authority declares its “official intent” to allow for the use of the proceeds of the 2008 Bonds to reimburse the Authority for “original expenditures” associated with the Project, to the full extent permitted by Treasury Regulations Section 1.150-2. Expenditures made more than sixty (60) days prior to the date hereof may be reimbursed as to certain *de minimis* or preliminary expenditures described in Treasury Regulations Section 1.150-2(f) and as to other expenditures permitted under applicable Treasury Regulations. The Authority reasonably expects that it will reimburse the “original expenditures” with the proceeds of the 2008 Bonds.
10. The Authority hereby authorizes the General Manager and Treasurer of the Authority to utilize the State Non-Arbitrage Program of the Commonwealth of Virginia in connection with the investment of the proceeds of the 2008 Bonds if they deem it to be in the best interest of the Authority. The process may be invested pursuant to other investment agreements so long as the same are permissible for the investment of bond proceeds under Virginia law.
11. All other actions hereafter taken by the officials or agents of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the 2008 Bonds and the undertaking of the Project are hereby confirmed, ratified, and approved.
12. This Resolution shall take effect immediately upon its adoption.

James O. Icenhour, Jr.
Chairman, Board of Directors

ATTEST:

Sanford B. Wanner
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 22nd day of July, 2008.

PDABondRes_res

Certificate

At a regular meeting of the James City Service Authority, held on the 22nd day of July, 2008, at which the following members were present and absent:

PRESENT

ABSENT

Bruce G. Goodson
James G. Kennedy
John J. McGlennon
James C. Icenhour, Jr.
Mary K. Jones

The foregoing resolution, a true and correct copy of which precedes this certification, was adopted by the affirmative roll call vote of a majority of all members of the Authority, the ayes and nays being recorded in the minutes of the meeting as follows:

MEMBER

AYE

VOTE

NAY

Bruce G. Goodson
James G. Kennedy
John J. McGlennon
James C. Icenhour, Jr.
Mary K. Jones

WITNESS my hand and seal of the James City Service Authority, this 22nd day of July, 2008.

Secretary, James City Service Authority