

AT A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON THE 28TH DAY OF SEPTEMBER, 1999, AT 7:01 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

Jack D. Edwards, Chairman, Berkeley District
David L. Sisk, Vice Chairman, Roberts District

John J. McGlennon, Jamestown District
Ronald A. Nervitt, Powhatan District
M. Anderson Bradshaw, Stonehouse District
William C. Porter, Jr., Assistant County Administrator
Leo P. Rogers, Deputy County Attorney

B. PRESENTATION

1. Hurricane Floyd Report, Richard Miller, Fire Chief, Anthony Conyers, Jr., Manager, Community Services and Larry Foster, General Manager, James City Service Authority

Mr. Richard Miller, Fire Chief, began the briefing with details and statistics of the storm, Hurricane Floyd, which occurred in James City County on September 16, 1999. He reported on County operations and stated damage assessment was completed in a timely manner to allow James City County to be a part of the Federal declaration of emergency. He stated the communications plan and coordination of the systems would be reviewed for improvements.

Mr. Anthony Conyers, Jr., Manager of Community Services, reported on Shelter operations and supportive services. He stated that Colonial Community Corrections clients had worked with the County's Facilities Management assisting in the cleanup of Jamestown 1607 townhouses.

Mr. Larry Foster, General Manager, James City Service Authority, described pump stations under water and reported on the boil water notification and timely restoration of service.

Mr. Miller introduced Mr. Tom Bias, Jr., and Mr. Lee Kellett of the Federal Emergency Management Agency, who reported that the County was included in the Federal Disaster Area and citizens with property damage should report to the Disaster Recovery Centers to apply for State, Federal, and other available assistance.

Board discussion regarding no injuries or loss of life occurred, communications, cleanup efforts, and commendation to all who participated during the storm, followed.

Mr. Sisk asked that the Colonial Community Corrections clients be recognized in some way for work during the cleanup of the flood at Jamestown 1607 townhouses.

Mr. McGlennon asked that Virginia Power restore electricity sooner to the small number of homes that are generally last for repairs; he asked for neighborhood volunteers who would be contact persons for

2
distribution of important information; and, he requested local radio stations and Federal Communication Commission to announce latest storm information frequently.

Mr. Bradshaw asked staff to investigate whether the northern and western parts of the County were serviced by Virginia Power through New Kent County rather than James City County.

C. PUBLIC COMMENT

1. Ms. Eve Palmer, 140 Wellington Circle, St. George's Hundred, voiced concerns that large developments created silt deposits in Powhatan Creek near the St. George's Hundred subdivision. She stated that open space natural areas need to be conserved with vegetation not disturbed, without infringement in a neighborhood's boundary. She was of the opinion that subdivision regulations were not being followed.

2. Ed Oyer, 139 Indian Circle, stated that during a natural disaster, radio stations should broadcast area information; the neighborhoods should have a contact to distribute emergency information; and the County should have an emergency plan in place to assess damage and provide cleanup of debris.

D. PRESENTATIONS

1. Historic Preservation Awards, Jim Dorsey

Mr. Jim Dorsey, Chairman, Historic Commission, presented plaques and resolutions of Historic Preservation Awards for 1998 to: Marc Sharp, accepting for Greensprings Plantation; Marie Sheppard, Phyllis Cody, and Dennis Blanton.

2. Cox Communications Update, Tom Ross

Mr. Tom Ross, Systems Manager, Cox Communications, explained the upgrade process that would include more channels, digital television stations, high speed internet service, upgrade work in phases out of the Lightfoot area office to be completed by December 2000.

Board members discussed impact on residents by rate increase; would channels be ones cable customers prefer; and franchise rates on increased number of channels would be calculated by Federal Communications Commission guidelines.

E. HIGHWAY MATTERS

Mr. James Brewer, Williamsburg Area Assistant Resident Engineer, Virginia Department of Transportation (VDOT), stated that the four lanes across the bridge on Monticello Avenue should be open in the next couple of weeks, and International Parkway (Route 603) should be finished in November.

Mr. McGlennon asked about the time frame for reopening Jamestown Road (Route 31) at Lake Powell.

Mr. Brewer responded three months for fill, pilings, and setting of a 60-foot span bridge in existing footprint.

Mr. McGlennon asked about repair of Lake Powell Road in terms of reconstruction of dam.

Mr. Brewer stated Virginia Department of Transportation had no plans.

Mr. Sisk asked that the Road Closed sign be moved a short distance and a temporary "Open for Business" be installed at 1676 Jamestown Road (Route 31).

Mr. Nervitt asked why a cloverleaf was not designed for Monticello Avenue (Route 321)/Route 199 like the one near Lowe's on the western end of Route 199, rather than completion of one with traffic lights on the exit ramps.

Mr. Nervitt questioned the safety of the design because of blind spots on exit and access ramps from Route 199 to Longhill Road (Route 612).

Mr. Bradshaw asked the extent of storm damage at Barlow's Corner on Newman Road (Route 646) and the length of repair time.

Mr. Edwards asked when Route 199 from Jamestown Road (Route 31) to Interstate 64 at Lightfoot would be completed.

Mr. Brewer responded that the requests would be reviewed.

F. CONSENT CALENDAR

Mr. Edwards asked if a Board member wished to remove any item from the Consent Calendar.

Mr. Edwards made a motion to approve the Consent Calendar.

On a roll call, the vote was: AYE: Nervitt, Sisk, McGlennon, Bradshaw, Edwards (5). NAY: (0).

- 1. Minutes of September 14, 1999, Regular Meeting
- 2. Declaration of Local Emergency, September 15, 1999

RESOLUTION

LOCAL EMERGENCY

WHEREAS, the Board of Supervisors of the County of James City, Virginia, does hereby find that on September 15, 1999, James City County faced potential property damage and threats to life and safety of its citizens due to Hurricane Floyd; and

WHEREAS, James City County opened a shelter for the evacuation of persons within the County.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, confirms the declaration of an emergency on September 15, 1999, by the James City County Director of Emergency Services.

G. PUBLIC HEARING

1. Virginia Public School Authority General Obligation Bond Issue

Ms. Carol O. Swindell, Assistant Manager of Financial Management Services, stated that an application was authorized for the issuance and sale of up to \$2,000,000 to finance the majority of the estimated cost of \$2,437,431 of structural repairs to Toano Middle School, Clara Byrd Baker Elementary School, and D.J. Montague Elementary School. She further stated that the School Board had committed \$990,443, leaving a balance of \$1,446,988 to be financed.

Ms. Swindell stated that \$755,000 was available in the County's School Capital Escrow account. Staff envisioned those funds would be needed to partially finance site acquisition for a third high school and did not recommend use of a portion of those funds.

Staff recommended approval of the resolution, authorizing the issuance of general obligation school bonds not to exceed \$1,500,000.

Mr. Edwards opened the public hearing.

1. Mr. Ed Oyer, 139 Indian Circle, spoke in opposition to the issuance of the bonds and stated that the funds should be found elsewhere in the Capital Projects budget.

Mr. Edwards closed the public hearing.

Board members and staff discussed County's standing regarding cap on debt service; process, time frame, and possibly recovery of funds from architect and design firms; and total costs for all repairs.

Mr. Edwards made a motion to approve the resolution and amend the resolution by changing \$1,500,000 to \$1,250,000.

Board members discussed using \$250,000 of the \$755,000 and agreed with the commitment to move forward with site acquisition for a third high school when needed.

On a roll call, the vote was: AYE: Nervitt, Sisk, McGlennon, Bradshaw, Edwards (5). NAY: (0).

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED

\$1,250,000 GENERAL OBLIGATION SCHOOL BONDS

OF JAMES CITY COUNTY, VIRGINIA, SERIES 1999B,

TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY

AND PROVIDING FOR THE FORM AND DETAILS THEREOF

WHEREAS, the Board of Supervisors (the "Board") of James City County, Virginia (the "County"), has determined that it is necessary and expedient to borrow not to exceed \$1,250,000 and to issue its general obligation school bonds for the purpose of financing certain capital projects for school purposes; and

WHEREAS, the County held a public hearing, duly noticed, on September 28, 1999, on the issuance of the Bonds (as defined below) in accordance with the requirements of Section 15.2-2606, Code of Virginia 1950, as amended (the "Virginia Code"); and

WHEREAS, the School Board of the County has, by resolution, requested the Board to authorize the issuance of the Bonds (as hereinafter defined) and consented to the issuance of the Bonds.

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

1. **Authorization of Bonds and Use of Proceeds.** The Board hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bonds in an aggregate principal amount not to exceed \$1,250,000 (the "Bonds") for the purpose of financing certain capital projects for school purposes. The Board hereby authorizes the issuance and sale of the Bonds in the form and upon the terms established pursuant to this Resolution.
2. **Sale of the Bonds.** It is determined to be in the best interest of the County to accept the offer of the Virginia Public School Authority (the "VPSA") to purchase from the County, and to sell to the VPSA, the Bonds at a price, determined by the VPSA to be fair and accepted by the Chairman and Vice Chairman of the Board, the County Administrator, and the Manager of Financial and Management Services, any of whom may act, that is not less than 98 percent of par and not more than 103 percent of par upon the terms established pursuant to this Resolution. The Chairman and Vice Chairman of the Board, the County Administrator, the Manager of Financial and Management Services, and such officer or officers of the County as any of them may designate, any of whom may act, are each hereby authorized and directed to enter into a Bond Sale Agreement dated as of October 12, 1999, with the VPSA providing for the sale of the Bonds to the VPSA in substantially the form submitted to the Board at this meeting, which form is hereby approved (the "Bond Sale Agreement").
3. **Details of the Bonds.** The Bonds shall be issuable in fully registered form; shall be dated the date of issuance and delivery of the Bonds; shall be designated "General Obligation School Bonds, Series 1999B"; shall bear interest from the date of delivery thereof payable semiannually on each January 15 and July 15 beginning July 15, 2000 (each an "Interest Payment Date"), at the rates established in accordance with Section 4 of this Resolution; and shall mature on July 15 in the years (each a "Principal Payment Date") and in the amounts set forth on Schedule I attached hereto (the "Principal Installments"), subject to the provisions of Section 4 of this Resolution.
4. **Interest Rates and Principal Installments.** The Chairman and Vice Chairman of the Board, the County Administrator and the Manager of Financial and Management Services, any of whom may act, are each hereby authorized and directed to accept the interest rates on the Bonds established by the VPSA, provided that each interest rate shall be ten one-hundredths of one percent (0.10 %) over the interest rate to be paid by the VPSA for the corresponding principal payment date of the bonds to be issued by the VPSA (the "VPSA Bonds"), a portion of the proceeds of which will be used to purchase the Bonds, and provided further that the true interest cost of the Bonds does not exceed six and one-half percent (6½ %) per annum. The Interest Payment Dates and the Principal Installments are subject to change at the request of the VPSA. The Chairman and Vice Chairman of the Board, the County Administrator and the Manager of Financial and Management Services, any of whom may act, are each

hereby authorized and directed to accept changes in the Interest Payment Dates and the Principal Installments at the request of the VPSA, provided that the aggregate principal amount of the Bonds shall not exceed the amount authorized by this Resolution. The execution and delivery of the Bonds as described in Section 8 hereof shall conclusively evidence such interest rates established by the VPSA and Interest Payment Dates and the Principal Installments requested by the VPSA as having been so accepted as authorized by this Resolution.

5. **Form of the Bonds.** The Bonds shall be initially in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A.
6. **Payment; Paying Agent and Bond Registrar.** The following provisions shall apply to the Bonds:
 - (a) For as long as the VPSA is the registered owner of the Bonds, all payments of principal, premium, if any, and interest on the Bonds shall be made in immediately available funds to the VPSA at, or before 11:00 a.m. on the applicable Interest Payment Date, Principal Payment Date or date fixed for prepayment or redemption, or if such date is not a business day for Virginia banks or for the Commonwealth of Virginia, then at or before 11:00 a.m. on the business day next preceding such Interest Payment Date, Principal Payment Date or date fixed for prepayment or redemption.
 - (b) All overdue payments of principal and, to the extent permitted by law, interest shall bear interest at the applicable interest rate or rates on the Bonds.
 - (c) Crestar Bank, Richmond, Virginia, is designated as Bond Registrar and Paying Agent for the Bonds.
7. **Prepayment or Redemption.** The Principal Installments of the Bonds held by the VPSA coming due on or before July 15, 2010, and the definitive Bonds for which the Bonds held by the VPSA may be exchanged that mature on or before July 15, 2010, are not subject to prepayment or redemption prior to their stated maturities. The Principal Installments of the Bonds held by the VPSA coming due after July 15, 2010, and the definitive bonds for which the Bonds held by the VPSA may be exchanged that mature after July 15, 2010, are subject to prepayment or redemption at the option of the County prior to their stated maturities in whole or in part, on any date on or after July 15, 2010, upon payment of the prepayment or redemption prices (expressed as percentages of Principal Installments to be prepaid or the principal amount of the Bonds to be redeemed) set forth below plus accrued interest to the date set for prepayment or redemption:

<u>Dates</u>	<u>Prices</u>
July 15, 2010 through July 14, 2011	102%
July 15, 2011 through July 14, 2012	101
July 15, 2012 and thereafter	100

Provided, however, that the Bonds shall not be subject to prepayment or redemption prior to their stated maturities as described above without first obtaining the written consent of the registered owner of the Bonds. Notice of any such prepayment or

redemption shall be given by the Bond Registrar to the registered owner by registered mail not more than ninety (90) and not less than sixty (60) days before the date fixed for prepayment or redemption.

8. **Execution of the Bonds.** The Chairman or Vice Chairman and the Clerk or any Deputy Clerk of the Board are each authorized and directed to execute and deliver the Bonds and to affix the seal of the County thereto.
9. **Pledge of Full Faith and Credit.** For the prompt payment of the principal of and premium, if any, and the interest on the Bonds as the same shall become due, the full faith and credit of the County are hereby irrevocably pledged, and in each year while any of the Bonds shall be outstanding there shall be levied and collected in accordance with law an annual ad valorem tax upon all taxable property in the County subject to local taxation sufficient in amount to provide for the payment of the principal of and premium, if any, and the interest on the Bonds as such principal, premium, if any, and interest shall become due, which tax shall be without limitation as to rate or amount and in addition to all other taxes authorized to be levied in the County to the extent other funds of the County are not lawfully available and appropriated for such purpose.
10. **Use of Proceeds Certificate and Certificate as to Arbitrage.** The Chairman and Vice Chairman of the Board, the County Administrator, the Manager of Financial and Management Services and such officer or officers of the County as any of them may designate, any of whom may act, are each hereby authorized and directed to execute a Non-Arbitrage Certificate and a Use of Proceeds Certificate each setting forth the expected use and investment of the proceeds of the Bonds and containing such covenants as may be necessary in order to show compliance with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations relating to the exclusion from gross income of interest on the Bonds and on the VPSA Bonds. The Board covenants on behalf of the County that (i) the proceeds from the issuance and sale of the Bonds will be invested and expended as set forth in such Non-Arbitrage Certificate and such Use of Proceeds Certificate and that the County shall comply with the other covenants and representations contained therein and (ii) the County shall comply with the provisions of the Code so that interest on the Bonds and on the VPSA Bonds will remain excludable from gross income for Federal income tax purposes.
11. **State Non-Arbitrage Program; Proceeds Agreement.** The Board hereby determines that it is in the best interests of the County to authorize and direct the County Administrator, County Treasurer and Manager of Financial and Management Services to participate in the State Non-Arbitrage Program in connection with the Bonds. The Chairman and Vice Chairman of the Board, the County Administrator, the Manager of Financial and Management Services and such officer or officers of the County as any of them may designate, any of whom may act, are each hereby authorized and directed to execute and deliver a Proceeds Agreement with respect to the deposit and investment of proceeds of the Bonds by and among the County, the other participants in the sale of the VPSA Bonds, the VPSA, the investment manager and the depository, substantially in the form submitted to the Board at this meeting, which form is hereby approved.
12. **Continuing Disclosure Agreement.** The Chairman and Vice Chairman of the Board, the County Administrator, the Manager of Financial and Management

Services and such officer or officers of the County as any of them may designate, any of whom may act, are each hereby authorized and directed to execute a Continuing Disclosure Agreement, as set forth in Appendix F to the Bond Sale Agreement, setting forth the reports and notices to be filed by the County and containing such covenants as may be necessary in order to show compliance with the provisions of the Securities and Exchange Commission Rule 15c2-12 and directed to make all filings required by Section 3 of the Bond Sale Agreement should the County be determined by the VPSA to be a MOP (as defined in the Continuing Disclosure Agreement).

- 13. **Filing of Resolution.** The appropriate officers or agents of the County are hereby authorized and directed to cause a certified copy of this Resolution to be filed with the Circuit Court of the City of Williamsburg and the County of James City, Virginia.
- 14. **Further Actions.** The members of the Board and all officers, employees and agents of the County are hereby authorized to take such action as they or any one of them may consider necessary or desirable in connection with the issuance and sale of the Bonds and any such action previously taken is hereby ratified and confirmed.
- 15. **Effective Date.** This Resolution shall take effect immediately.

The undersigned Clerk of the Board of Supervisors of James City County, Virginia, hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the Board of Supervisors held on September 28, 1999, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing resolution, a quorum was present. The following members were present and absent and the foregoing resolution was adopted by at least a majority of all members of the Board of Supervisors by a roll call vote, the vote being recorded in the minutes of the meeting as follows:

<u>MEMBER</u>	<u>PRESENT/ABSENT</u>	<u>VOTE</u>
Nervitt		
Sisk		
McGlennon		
Bradshaw		
Edwards		

Mr. Nervitt asked for an independent investigation of the events leading to the need for structural repairs at Toano Middle School, Clara Byrd Baker and D.J. Montague elementary schools to include: Organizational, Requirements Process, Policies and Procedures for Building Systems, Documentation, Expertise, Inspection and Compliance, Personnel, and Performance.

Mr. Bradshaw agreed and stated that staff could recommend how to proceed.

Mr. William C. Porter, Jr., Assistant County Administrator, stated that a State agency had been contacted.

H. BOARD CONSIDERATION

1. Award of Bid, Purchase of Phone System, Williamsburg/James City County Courthouse

Mr. Bernard M. Farmer, Jr., Capital Projects Administrator, stated that a bid for the Courthouse telephone switch in the amount of \$95,076 was received from Sprint-Central Telephone Company of Virginia.

Staff recommended approval of the resolution.

Board members and staff discussed discomfort with only one bidder; need for approval to stay on schedule; and bid prices are good for only a limited period of time.

Mr. Sisk made a motion to approve the resolution.

On a roll call, the vote was: AYE: Nervitt, Sisk, McGlenon, Bradshaw, Edwards (5). NAY: (0).

RESOLUTION

AWARD OF BID, TELEPHONE SYSTEM PURCHASE AUTHORIZATION,

COURTHOUSE

WHEREAS, two separate competitive bids were advertised for the Williamsburg/James City County Courthouse telephone system; and

WHEREAS, only one responsive bid was received; and

WHEREAS, funds for this procurement are available within the Capital Construction Project budget.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes the County Administrator or his designee to execute the necessary purchase documents for the Williamsburg/James City County Courthouse phone system in the amount of \$95,076.

I. PUBLIC COMMENT - None

J. REPORTS OF THE COUNTY ADMINISTRATOR

Mr. William C. Porter, Jr., Assistant County Administrator, announced work sessions for Cash Proffers and Payment Options/Treasurer's Office on Wednesday, September 29, 1999, at 2:00 p.m., and a joint meeting with the Industrial Development Authority, followed by a work session on Indoor Soccer Facility on Thursday, October 7, 1999, at 7:00 p.m.

K. BOARD REQUESTS AND DIRECTIVES

Mr. Sisk announced the Virginia Municipal League Annual Conference would be held in Williamsburg, October 17-19, 1999.

Mr. McGlennon encouraged citizens to visit businesses open again after the effects of Hurricane Floyd.

Mr. Nervitt spoke of information he obtained about highway roundabouts while visiting Colorado.

Mr. Nervitt made a motion to adjourn.

On a roll call, the vote was: AYE: Nervitt, Sisk, McGlennon, Bradshaw, Edwards (5). NAY: (0).

The Board adjourned at 9:45 p.m.



William C. Porter, Jr.
Deputy Clerk to the Board

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EXHIBIT A
(FORM OF TEMPORARY BOND)

NO. TR-1

\$1,500,000

UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
JAMES CITY COUNTY
General Obligation School Bond
Series 1999B

JAMES CITY COUNTY, VIRGINIA (the "County"), for value received, hereby acknowledges itself indebted and promises to pay to the **VIRGINIA PUBLIC SCHOOL AUTHORITY** the principal amount of **ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000)**, in annual installments in the amounts set forth on Schedule I attached hereto payable on July 15, 2000, and annually on July 15 thereafter to and including July 15, 2019 (each a "Principal Payment Date"), together with interest from the date of this Bond on the unpaid installments, payable semiannually on January 15 and July 15 of each year, commencing on July 15, 2000 (each an "Interest Payment Date"; together with any Principal Payment Date, a "Payment Date"), at the rates per annum set forth on Schedule I attached hereto, subject to prepayment or redemption as hereinafter provided. Both principal of and interest on this Bond are payable in lawful money of the United States of America.

For as long as the Virginia Public School Authority is the registered owner of this Bond, Crestar Bank, Richmond, Virginia, as bond registrar (the "Bond Registrar"), shall make all payments of principal, premium, if any, and interest on this Bond, without the presentation or surrender hereof, to the Virginia Public School Authority, in immediately available funds at or before 11:00 a.m. on the applicable Payment Date or

date fixed for prepayment or redemption. If a Payment Date or date fixed for prepayment or redemption is not a business day for banks in the Commonwealth of Virginia or for the Commonwealth of Virginia, then the payment of principal, premium, if any, or interest on this Bond shall be made in immediately available funds at or before 11:00 a.m. on the business day next preceding the scheduled Payment Date or date fixed for prepayment or redemption. Upon receipt by the registered owner of this Bond of said payments of principal, premium, if any, and interest, written acknowledgment of the receipt thereof shall be given promptly to the Bond Registrar, and the County shall be fully discharged of its obligation on this Bond to the extent of the payment so made. Upon final payment, this Bond shall be surrendered to the Bond Registrar for cancellation.

The full faith and credit of the County are irrevocably pledged for the payment of the principal of and the premium, if any, and interest on this Bond. The resolution adopted by the Board of Supervisors authorizing the issuance of the Bonds provides, and Section 15.2-2624, Code of Virginia 1950, as amended, requires, that there shall be levied and collected an annual tax upon all taxable property in the County subject to local taxation sufficient to provide for the payment of the principal, premium, if any, and interest on this Bond as the same shall become due which tax shall be without limitation as to rate or amount and shall be in addition to all other taxes authorized to be levied in the County to the extent other funds of the County are not lawfully available and appropriated for such purpose.

This Bond is duly authorized and issued in compliance with and pursuant to the Constitution and laws of the Commonwealth of Virginia, including the Public Finance Act of 1991, Chapter 26, Title 15.2, Code of Virginia 1950, as amended, and resolutions duly adopted by the Board of Supervisors of the County and the School Board of the County to provide funds for capital projects for school purposes.

This Bond may be exchanged without cost, on twenty (20) days written notice from the Virginia Public School Authority, at the office of the Bond Registrar on one or more occasions for one or more temporary bonds or definitive bonds in marketable form and, in any case, in fully registered form, in denominations of \$5,000 and whole multiples thereof, and having an equal aggregate principal amount, having

principal installments or maturities and bearing interest at rates corresponding to the maturities of and the interest rates on the installments of principal of this Bond then unpaid. This Bond is registered in the name of the Virginia Public School Authority on the books of the County kept by the Bond Registrar, and the transfer of this Bond may be effected by the registered owner of this Bond only upon due execution of an assignment by such registered owner. Upon receipt of such assignment and the surrender of this Bond, the Bond Registrar shall exchange this Bond for definitive Bonds as hereinabove provided, such definitive Bonds to be registered on such registration books in the name of the assignee or assignees named in such assignment.

The principal installments of this Bond coming due on or before July 15, 2010, and the definitive Bonds for which this Bond may be exchanged that mature on or before July 15, 2010, are not subject to prepayment or redemption prior to their stated maturities. The principal installments of this Bond coming due after July 15, 2010, and the definitive Bonds for which this Bond may be exchanged that mature after July 15, 2010, are subject to prepayment or redemption at the option of the County prior to their stated maturities in whole or in part, on any date on or after July 15, 2010, upon payment of the prepayment or redemption prices (expressed as percentages of principal installments to be prepaid or the principal amount of the Bonds to be redeemed) set forth below plus accrued interest to the date set for prepayment or redemption:

<u>Dates</u>	<u>Prices</u>
July 15, 2010 through July 14, 2011	102%
July 15, 2011 through July 14, 2012	101
July 15, 2012 and thereafter	100

Provided, however, that the Bonds shall not be subject to prepayment or redemption prior to their stated maturities as described above without the prior written consent of the registered owner of the Bonds. Notice of any such prepayment or redemption shall be given by the Bond Registrar to the registered owner by registered mail not more than ninety (90) and not less than sixty (60) days before the date fixed for prepayment or redemption.

All acts, conditions and things required by the Constitution and laws 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 in due time, form and manner as so required, and this Bond, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and laws of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the Board of Supervisors of James City County, Virginia has caused this Bond to be issued in the name of James City County, Virginia, to be signed by its Chairman or Vice Chairman, its seal to be affixed hereto and attested by the signature of its Clerk or any of its Deputy Clerks, and this Bond to be dated November 18, 1999.

JAMES CITY COUNTY, VIRGINIA

(SEAL)

ATTEST:

William C. Porter, Jr., Deputy Clerk, Board of
Supervisors of James City County, Virginia

Jack D. Edwards, Chairman, Board of
Supervisors of James City County, Virginia

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ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE: _____
the within Bond and irrevocably constitutes and appoints

_____ attorney to exchange said Bond for definitive bonds in lieu of which this Bond is issued and to register the transfer of such definitive bonds on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed:

(NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution: meeting the requirements of the Bond Registrar which requirements will include Membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Bond Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.)

Registered Owner
(NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration or change.)

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