

RESOLUTION OF THE COUNTY OF JAMES CITY

CONCERNING THE ISSUANCE OF REFUNDING REVENUE BONDS SERIES 2003

BY THE VIRGINIA PENINSULA REGIONAL JAIL AUTHORITY

WHEREAS, the County of James City is a member of the Virginia Peninsula Regional Jail Authority (the "Authority") created by the County of James City, the City of Poquoson, the City of Williamsburg, and the County of York (collectively, the "Member Jurisdictions") pursuant to Article 3.1, Chapter 3, Title 53.1 of the Code of Virginia of 1950, as amended (the "Act"); and

WHEREAS, the Authority and the Member Jurisdictions entered in a Cooperative Service Agreement dated as of November 14, 1994, as superseded by an Amended and Restated Cooperative Service Agreement dated as of August 1, 1995 (the "Service Agreement") which provided, among other things, for the planning, development, and operation of the Authority's regional jail facility (the "Regional Jail"), and provided for the financing of the Regional Jail through the issuance of the Authority's revenue bonds; and

WHEREAS, in furtherance of the provisions of the Service Agreement and the Act, the Authority issued its Regional Jail Facility Revenue Bonds, Series 1995, in the aggregate principal amount of \$36,340,000 (the "1995 Bonds"); and

WHEREAS, in connection with the issuance of the Authority's 1995 Bonds, each of the Member Jurisdictions agreed in the Service Agreement, subject to the appropriation of funds for such purposes, to provide funding makeup support on a proportionate basis for: (i) the payment of debt service on the 1995 Bonds and (ii) to cure any deficiency in the debt service reserve fund established by the Authority for the 1995 Bonds in the event the Authority lacked sufficient funds to make such payment or to cure such deficiency (the "Debt Service and Reserve Makeup Undertaking"); and

WHEREAS, in connection with the issuance of the 1995 Bonds by the Authority, the Member Jurisdictions further agreed to provide annually for as long as the 1995 Bonds remained outstanding to each nationally recognized municipal securities information repository certain financial information and operating data as more particularly described in the Continuing Disclosure Agreement dated September 15, 1995, (the "Continuing Disclosure Agreement") among the Authority, the Member Jurisdictions, and Crestar Bank, now SunTrust Bank, as dissemination agent (the "Continuing Disclosure Undertaking"); and

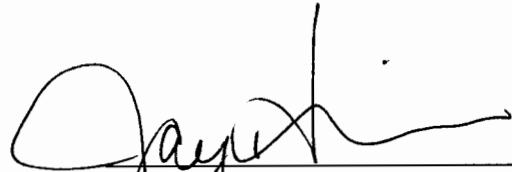
WHEREAS, in order to achieve debt service savings and to restructure debt service payments, the Authority proposes to issue a series of refunding bonds in the aggregate principal amount of approximately \$21,655,000 (the "Refunding Bonds") to refund a portion of the 1995 Bonds and to apply the prepaid reimbursement payment received from the Commonwealth of Virginia for the Commonwealth's share of the construction and financing costs of the Regional Jail to defease and redeem the balance of the 1995 Bonds; and

WHEREAS, such refunding, defeasance, and redemption of the 1995 Bonds by the Authority will cause the Debt Service and Reserve Makeup Undertaking and the Continuing Disclosure Undertaking of the Member Jurisdictions with respect to the 1995 Bonds to terminate; and

WHEREAS, to facilitate the sale of the Refunding Bonds, the insurer for the Refunding Bonds has required that the Authority request that each Member Jurisdiction agree to extend its Continuing Disclosure Undertaking and agree to extend its Debt Service and Reserve Makeup Undertaking to the Authority for the Refunding Bonds.

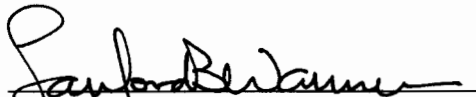
NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of James City County, Virginia:

1. Approval of Continuing Disclosure Agreement. The Continuing Disclosure Undertaking in connection with the issuance of the Authority's Refunding Bonds is hereby approved, such undertaking being on substantially the same terms and conditions as are set forth in the Continuing Disclosure Agreement for the Authority's 1995 Bonds, the form of which is on file with the County, which is hereby approved in substantially such form.
2. Approval of Debt Service and Reserve Makeup Undertaking. The Debt Service and Reserve Makeup Undertaking for the Authority's Refunding Bonds is hereby approved on substantially the same terms and conditions as such undertaking is contained in the Service Agreement, including the requirement that such undertaking is subject to the appropriation of funds for such purpose, provided, however, the percentage on which such undertaking shall be based for each Member Jurisdiction in any given fiscal year in which payment may be required shall be derived from the percentage of each Member Jurisdiction's utilization of the Regional Jail for the immediately preceding fiscal year.
3. Approval and Execution of Documents. The Chairman or the Vice Chairman are each authorized to execute and deliver on behalf of the Authority, and, if required, the Secretary or any Assistant Secretary of the Authority is authorized to affix and attest the seal of the Authority to, the Continuing Disclosure Agreement in substantially the form on file with such changes, insertions, or omissions, as may be approved by the Chairman or Vice Chairman, and to any amendment to the Service Agreement which may be necessary or desirable to reflect the changes to the Debt Service and Reserve Makeup percentage herein authorized, whose approval will be evidenced conclusively by the execution and delivery of such documents. Each officer of the County is authorized to execute and deliver on behalf of the County such other instruments, documents, or certificates, and to do and perform such things and acts, as they deem necessary or appropriate to carry out the transactions authorized by this Resolution and all of the foregoing, previously done or performed by such officers, are in all respects approved, ratified, and confirmed.
4. This resolution shall take effect immediately.



Jay T. Harrison, Sr.
Chairman, Board of Supervisors

ATTEST:



Sanford B. Wanner
Clerk to the Board

<u>SUPERVISOR</u>	<u>VOTE</u>
MCGLENNON	AYE
BROWN	ABSENT
GOODSON	AYE
KENNEDY	AYE
HARRISON	AYE

Adopted by the Board of Supervisors of James City County, Virginia, this 27th day of May, 2003.

jailrevbond.res