

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF**

**JAMES CITY, VIRGINIA, AUTHORIZING AND APPROVING THE EXECUTION AND**

**DELIVERY OF LEASE PURCHASE AGREEMENT**

WHEREAS, the Board of Supervisors of the County of James City, Virginia (the "Board"), has determined that it is necessary and desirable to finance a portion of emergency 911 communications equipment and facilities, including a control center (the "Project") for the County of James City, Virginia (the "County"); and

WHEREAS, there has been presented to the Board a plan for the financing of the Project which would not create debt of the County for purposes of the Virginia Constitution; and

WHEREAS, the County has decided, pursuant to such financing plan, to enter into, execute, and deliver a Lease Purchase Agreement for the Project (the "Lease Purchase Agreement"), the payments under which are subject to appropriation by the Board; and

WHEREAS, the provisions of the Lease Purchase Agreement will be in conformity with the terms of a proposal from SunTrust Bank (the "Bank") dated October 6, 2003 (the "Commitment").

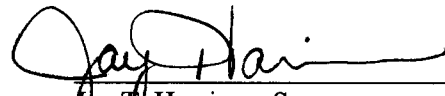
NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia,

1. Authorization of Lease Purchase Agreement and Use of Proceeds. The County determines that it is advisable to accept the Commitment and execute and deliver the Lease Purchase Agreement to the Bank. The execution and delivery of the Lease Purchase Agreement are authorized and approved.
2. Details of Lease Purchase Agreement. The Lease Purchase Agreement shall be executed and delivered upon the terms and conditions set forth therein and in the Commitment and shall be dated the date of its execution and delivery. The interest components of the rental payments thereunder shall be determined based upon the rate of interest per annum of 4.77%, and the principal components of the rental payments thereunder shall be determined based upon a fifteen-year amortization, with the rental payment schedule resulting in approximately annual level debt service. The interest component of the rental payments will be made semiannually on March 1 and September 1 of each year commencing March 1, 2004, and ending March 1, 2019, and the principal component of the rental payments will be made annually on each March 1 commencing March 1, 2005, and ending March 1, 2019. The amounts of each principal and interest component of the rental payments shall be as set forth in the Lease Purchase Agreement. The purchase price of the Project being financed through the Lease Purchase Agreement shall not exceed \$14,500,000. Payments due under the Lease Purchase Agreement may be prepaid at any time (i) on or after the ninth anniversary date of the execution and delivery of the Lease Purchase Agreement at a prepayment price equal to 102% of the amount of the principal component being prepaid plus interest to the prepayment date, (ii) on or

after the tenth anniversary date of the execution and delivery of the Lease Purchase Agreement at a prepayment price equal to 101% of the amount of the principal component being prepaid plus interest to the prepayment date and (iii) on or after the eleventh anniversary date of the execution and delivery of the Lease Purchase Agreement at a prepayment price equal to 100% of the amount of the principal component being prepaid plus interest to the prepayment date.

3. Form of Lease Purchase Agreement. The Lease Purchase Agreement shall be in substantially the form on file with the County Administrator, with such variations, insertions, or deletions as may be approved by the Chairman or the Vice Chairman of the Board. All payments under the Lease Purchase Agreement are subject to appropriation by the Board, and the Board is not, under any circumstances, obligated to make such appropriations.
4. Execution and Delivery of Lease Purchase Agreement and Deed of Trust. The Chairman and the Vice Chairman of the Board, either of whom may act, are each authorized and directed to execute the Lease Purchase Agreement. The Chairman and the Vice Chairman of the Board, either of whom may act, are also each authorized and directed to execute any Deed of Trust, to be dated its date of execution and delivery (the "Deed of Trust"), that may be required by the Bank in connection with the placing of a lien on any real property being financed. The Clerk of the Board is authorized and directed to affix the seal of the County to the executed Lease Purchase Agreement and the Deed of Trust (if required) and to attest the same and then to deliver the Lease Purchase Agreement and the Deed of Trust to the Bank.
5. Further Actions. The Chairman and the Vice Chairman of the Board and such officers and agents of the County, including the County Administrator, as may be designated by either of them are authorized and directed to take such further actions as they deem necessary regarding the execution and delivery of the Lease Purchase Agreement including, without limitation, the execution and delivery of closing documents and certificates including the Form 8038-G, a Non-Arbitrage Certificate, and a Tax Certificate. All such actions previously taken by the Chairman, Vice Chairman, or such officers and agents are hereby approved, ratified, and confirmed.
6. Selection of Bond Counsel. The County hereby consents to Troutman Sanders LLP, serving as Bond Counsel to the County in connection with the execution and delivery of the Lease Purchase Agreement.
7. Essentiality of Project. The Project is hereby declared to be essential to the efficient operation of the County, and the Board anticipates that the Project will continue to be essential to the operation of the County during the term of the Lease Purchase Agreement. The Board, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, hereby states its intent to make annual appropriations in future fiscal years in amounts sufficient to make all payments under the Lease Purchase Agreement and hereby recommends that future Boards do likewise during the term of the Lease Purchase Agreement.

- 8. Submission of Appropriation Request. The County Administrator is hereby directed to submit for each fiscal year a request to the Board for an appropriation in an amount equal to the payments becoming due on the Lease Purchase Agreement in the next fiscal year. Nothing in this Resolution shall obligate the Board to make such appropriation or shall constitute a pledge of the full faith and credit of the County beyond the constitutionally permitted annual appropriations.
- 9. Fees and Costs. All expenses incurred by the Bank, the County, and legal counsel in connection with the execution and delivery of the Lease Purchase Agreement shall be paid by the County, regardless of whether the Lease Purchase Agreement is executed and delivered.
- 10. Limitation of Liability of Officials of the County. No covenant, condition, agreement, or obligation contained herein shall be deemed to be a covenant, condition, agreement, or obligation of an officer, employee, or agent of the County in his or her individual capacity, and no officer of the County executing the Lease Purchase Agreement shall be liable personally on the Lease Purchase Agreement or be subject to any personal liability or accountability by reason of the execution and delivery thereof. No officer, employee, or agent of the County shall incur any personal liability with respect to any other action taken by him or her pursuant to this Resolution, provided he or she acts in good faith.
- 11. Contract with Bank. The provisions of this Resolution shall constitute a contract between the County and the Bank for so long as the Lease Purchase Agreement is outstanding. This Resolution may not be amended by the County in any manner without the consent of the Bank, except to cure any defect, error, omission, or ambiguity herein.
- 12. Effective Date. This Resolution shall take effect immediately.



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

ATTEST:



Sanford B. Wanner  
Clerk to the Board

SUPERVISOR	VOTE
MCGLENNON	AYE
BROWN	AYE
GOODSON	AYE
KENNEDY	AYE
HARRISON	AYE

Adopted by the Board of Supervisors of James City County, Virginia, this 28th day of October, 2003.