

**RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF  
THE COUNTY OF SPOTSYLVANIA APPROVING THE ISSUANCE OF  
REVENUE REFUNDING BONDS FOR SPOTSYLVANIA COUNTY,  
VIRGINIA**

**WHEREAS**, the Economic Development Authority of the County of Spotsylvania (the "Authority"), pursuant to the Industrial Development and Revenue Bond Act (the "Act") under which it is created, is authorized to exercise all of the powers set forth in the Act, which include, among other things, the power to make loans to, among others, a county in furtherance of the Act, to finance or refinance and lease facilities for use by, among others, a county, to issue its revenue bonds, notes and other obligations from time to time for such purposes, and to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection therewith as security for the payment of principal of and interest on any such obligations; and

**WHEREAS**, the Board of Supervisors (the "Board") of Spotsylvania County, Virginia (the "County"), pursuant to a resolution adopted on June 22, 2021, has approved the undertaking, in conjunction with the Authority, to the extent that the debt service savings threshold described herein is satisfied, of all or a portion of the outstanding maturities of the Authority's (a) \$11,275,000 Public Facility Revenue Bonds (Public Building and Equipment Project), Series 2011 (the "2011 Bonds"), which were issued by the Authority on October 12, 2011, to assist the County in financing the costs of certain public building facilities and equipment, (b) \$33,785,000 Public Facility Revenue and Refunding Bonds (Spotsylvania School Facilities Projects), Series 2012 (the "2012 Bonds"), which were issued by the Authority on July 18, 2012, to assist the County in financing the costs of refunding certain revenue and refunding bonds of the Authority that were issued in 2003 and 2004 to assist the County in financing the costs of certain public school facilities, and (c) the Authority's \$13,383,000 Public Facility Revenue and Refunding Bonds (Spotsylvania School Facilities Projects and Fire & Rescue Equipment), Series 2013 (the "2013 Bonds" and collectively with the 2011 Bonds and the 2012 Bonds, the "Refunded Bonds"), which were issued by the Authority on August 8, 2013 to assist the County in financing (1) the costs of refunding certain revenue bonds of the Authority that were issued in 2004 to assist the County in financing the costs of certain public school facilities and (2) the costs of certain fire and rescue equipment (collectively, the "Plan of Refunding"); and

**WHEREAS**, in furtherance of the purposes of the Act, the County has requested that the Authority undertake the Plan of Refunding, and the Authority has determined to issue its Revenue Refunding Bonds, Series 2021 (the "Bonds"), in an aggregate principal amount not to exceed \$31,000,000, to finance the Plan of Refunding and to pay the costs of issuing the Bonds, all for the benefit of the County; and

**WHEREAS**, the Bonds will be secured by payments appropriated from time to time by the Board and payable to the Authority in accordance with the terms of the Financing Agreement (defined below); and

**WHEREAS**, drafts of the following documents (collectively, the "Documents"), proposed to be executed and delivered in connection with the undertaking of the Plan of Refunding and the issuance and sale of the Bonds, have been presented to this meeting:

(a) Tenth Supplemental Agreement of Trust (draft dated as of September 1, 2021), supplementing an Agreement of Trust dated as of August 1, 2000, as previously supplemented (collectively, the "Trust Agreement"), between the Authority and U.S. Bank National Association, as successor trustee (the "Trustee"), including the form of the Bonds, pursuant to which the Bonds are to be issued and which is to be acknowledged and consented to by the County;

(b) Ninth Supplemental Financing Agreement (draft dated as of September 1, 2021), supplementing a Financing Agreement dated as of August 1, 2000, as previously supplemented (collectively, the "Financing Agreement"), between the Authority and the County pursuant to which the Authority will loan the proceeds of the Bonds to the County and the County, subject to annual appropriation by the Board, will make payments to the Authority in amounts sufficient to pay the principal of and interest on the Bonds and certain other related costs;

(c) Preliminary Official Statement (draft dated as of August, 2021), of the Authority relating to the public offering of the Bonds (the "Preliminary Official Statement");

(d) Notice of Sale (draft dated August, 2021) (the "Notice of Sale"), pursuant to which the Bonds will be advertised for sale if the Bonds are sold by competitive bid;

(e) Continuing Disclosure Agreement (draft dated as of September 1, 2021), pursuant to which the County will agree to undertake certain continuing disclosure obligations with respect to the Bonds;

(f) Second Amendment to Prime Lease (draft dated as of September 1, 2021), between the County, the Authority and the School Board of Spotsylvania County, Virginia (the "School Board"); Second Amendment to Lease Agreement (draft dated as of September 1, 2021), between the Authority, the County and the School Board; and Second Amendment to Assignment Agreement (draft dated as of September 1, 2021), between the Authority, the Trustee and the School Board, all relating to the Courtland High School property securing repayment of the 2012 Bonds (the "Courtland Property");

**WHEREAS**, the Amendments described in item (f), above are hereinafter collectively referred to as the "Lease Modification Agreements."

**NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF SPOTSYLVANIA COUNTY, VIRGINIA:**

1. The Plan of Refunding is hereby approved subject to the terms and conditions set forth in this paragraph. The Authority will issue the Bonds and use the proceeds thereof to finance the costs of the Plan of Refunding and finance the costs of issuing the Bonds. Pursuant to the Financing Agreement, the County will agree, subject to annual appropriation by the Board, to make Annual Payments and Additional Payments (each as defined in the Financing Agreement) to the Authority in amounts sufficient to amortize the Bonds, to pay the fees or expenses of the Authority and the Trustee and to pay certain other related costs. The obligation of the Authority to pay principal of and premium, if any, and interest on the Bonds will be limited to amounts

received under the Trust Agreement. The Bonds will be secured by the assignment of the Annual Payments and certain Additional Payments due under the Financing Agreement, all for the benefit of the holders of the Bonds. The obligation of the County to make Annual Payments and Additional Payments will be subject to annual appropriation by the Board of sufficient amounts for such purposes. The Courtland Property currently providing security for the Refunded Bonds will become additional security for the Bonds upon execution and delivery of the Lease Modification Agreements. The Plan of Refunding shall contain such additional requirements and provisions as may be approved by the County Administrator of the County (the "County Administrator") or the Assistant County Administrator/Chief Financial Officer of the County (the "Chief Financial Officer"), and communicated to the Authority.

2. Subject to Section 3, the Authority hereby authorizes the issuance of the Bonds pursuant to the Trust Agreement; provided that (a) the principal amount of the Bonds shall not exceed \$31,000,000, (b) the Bonds mature in installments or are subject to mandatory sinking fund redemption ending not later than December 1, 2030, (c) the Bonds have a true or "Canadian" interest cost not exceeding 4.50%, (d) the Bonds are subject to optional redemption, if at all, at a premium not to exceed 2% of their principal amount, (e) the Bonds are sold to the purchaser thereof at a price not less than 98% of the aggregate principal amount thereof (inclusive of original issue premium, original issue discount and underwriter's discount), and (f) the issuance and sale of the Bonds shall result in realization of an aggregate net present value debt service savings of at least 3% as compared to the aggregated debt service payable on the Refunded Bonds. The Chairman and Vice Chairman of the Authority, either of whom may act, are also authorized to approve, in collaboration with the County Administrator or the Chief Financial Officer, (i) a lesser principal amount for the Bonds, (ii) a maturity schedule, including serial maturities and term maturities for the Bonds and (iii) the redemption provisions of the Bonds, all as such officers shall determine to be in the best interests of the County and the Authority.

3. If the County Administrator or the Chief Financial Officer determines to sell the Bonds by competitive bid, the County Administrator or the Chief Financial Officer shall receive bids for the Bonds on behalf of the Authority and, subject to the limitations set forth in Section 2 hereof, shall award the Bonds to the bidder providing the lowest "true" or "Canadian" interest cost. Following the sale of the Bonds, the County Administrator or the Chief Financial Officer shall file a certificate with the Authority setting forth the final terms of the Bonds. The actions of the County Administrator or the Chief Financial Officer in selling the Bonds by competitive sale shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Authority. If the County Administrator or the Chief Financial Officer determines to sell the Bonds in a negotiated sale with one or more underwriters, the Chairman and Vice Chairman of the Authority, either of whom may act, are authorized and directed to execute and deliver to such underwriters a bond purchase agreement (the "Bond Purchase Agreement") in a form approved by the County Administrator or the Chief Financial Officer to reflect the final terms of the Bonds and their sale as determined by the County Administrator or the Chief Financial Officer on behalf of the Authority in accordance with, and subject to the limitations set forth in, Section 2 hereof. If the County Administrator or the Chief Financial Officer determines to sell the Bonds through a direct private placement with one or more financial institutions, the County Administrator or the Chief Financial Officer shall file a certificate with the Authority setting forth the final terms of the Bonds. The actions of the County Administrator or the Chief Financial

Officer in selling the Bonds by direct, private placement with one or more financial institutions shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Authority.

4. The Chairman and Vice Chairman of the Authority, either of whom may act, are authorized and directed to execute the Documents to which the Authority is required to be a party, in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer executing them, his execution to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes.

5. If the Bonds are sold by competitive bid, the County Administrator or the Chief Financial Officer, in collaboration with the County's Financial Advisor, is authorized and directed to take all proper steps to advertise the Bonds for sale on behalf of the Authority substantially in accordance with the form of Notice of Sale presented to this meeting, which is approved. If the Bonds are sold by direct private placement with one or more financial institutions, the County Administrator or the Chief Financial Officer, in collaboration with the County's Financial Advisor, is authorized and directed to take all proper steps to solicit proposals from qualified financial institutions for the purchase of the Bonds through a request for proposals or other process to be instituted by the County's Financial Advisor on behalf of the Authority and the County.

6. If deemed necessary by the County Administrator or the Chief Financial Officer, the Authority authorizes the distribution of the Preliminary Official Statement in a form deemed by the County Administrator or the Chief Financial Officer on behalf of the Authority to be "near final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), to prospective purchasers of the Bonds, with such completions, omissions, insertions and changes as may be approved by the Chairman or Vice Chairman, either of whom may act, upon advice of the County Administrator, the Chief Financial Officer, the County's Financial Advisor and/or the County's Bond Counsel. Such distribution shall constitute conclusive evidence of the approval of the Chairman or Vice Chairman as to any such completions, omissions, inserts and changes and that the County Administrator or the Chief Financial Officer, on behalf of the Authority, has deemed the Preliminary Official Statement to be near final as of its date.

7. The Chairman and Vice Chairman of the Authority, either of whom may act, are authorized and directed to approve such completions, omissions, insertions not inconsistent with this Resolution and other changes to the Preliminary Official Statement, upon advice of the County Administrator, the Chief Financial Officer, the County's Financial Advisor and/or the County's Bond Counsel, that are necessary to reflect the terms of the sale of the Bonds and the details thereof appropriate to complete it as an official statement in final form (the "Official Statement") and to execute and deliver the Official Statement to the initial purchaser of the Bonds when the same has been approved by the County Administrator or the Chief Financial Officer in amounts sufficient to allow such purchaser or purchasers to comply with applicable rules and regulations. Execution of the Official Statement by the Chairman or Vice Chairman shall constitute conclusive evidence of his or her approval of any such completions, omissions, insertions and changes and that the

Official Statement has been deemed final by the Authority as of its date within the meaning of the Rule.

8. The Chairman and Vice Chairman of the Authority, either of whom may act, are authorized and directed to execute the Bonds by manual or facsimile signature, the Secretary and Assistant Secretary, either of whom may act, are hereby authorized and directed to affix the seal of the Authority to or print a facsimile thereof on the Bonds and attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver the Bonds to the Trustee for authentication and delivery to the purchaser thereof.

9. All costs and expenses in connection with the undertaking of the Plan of Refunding and the issuance of the Bonds, including the Authority's fees and expenses and the fees and expenses of County's Bond Counsel and counsel for the Authority, shall be paid from the proceeds of the Bonds or other legally available funds of the County. If for any reason the Bonds are not issued, it is understood that all such expenses shall be paid by the County from its legally available funds and that the Authority shall have no responsibility therefor.

10. The Authority agrees to the recommendation of the County that Haneberg Hurlbert PLC, the County's Bond Counsel, be appointed as bond counsel with respect to the Bonds.

11. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds, including without limitation, (a) execution and delivery of a certificate setting forth the expected use and investment of the proceeds of the Bonds to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder, applicable to "arbitrage bonds," (b) making any elections, at the request of the County, that such officers deem desirable regarding any provision requiring rebate to the United States of "arbitrage profits" earned on investment of proceeds of the Bonds, (c) providing for the County to pay any such rebate amount, and (d) filing Internal Revenue Service Form 8038-G, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the undertaking of the Plan of Refunding. The foregoing shall be subject to the advice, approval and direction of the County's Bond Counsel.

12. 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.

13. All other acts of the officers 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 Bonds and the undertaking of the Plan of Refunding are hereby approved and ratified.

14. This Resolution shall take effect immediately.

#### **CERTIFICATE**

Record of the roll-call vote by the Economic Development Authority of the County of Spotsylvania, upon reading on a resolution titled **“RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF SPOTSYLVANIA APPROVING THE ISSUANCE OF PUBLIC FACILITY REVENUE REFUNDING BONDS FOR SPOTSYLVANIA COUNTY, VIRGINIA,”** taken at a meeting of the Authority held on July 22, 2021:

	AYE	NAY	ABSTAIN	ABSENT
Josh Gaita, Chairman	✓			
David Goosman, Vice Chairman	✓			
James Shiels	✓			
Tim Welsh	✓			
Tom Welsh				✓
Alfred King	✓			
H. Vincent Burchett, Jr.	✓			

Dated July 22, 2021

(SEAL)

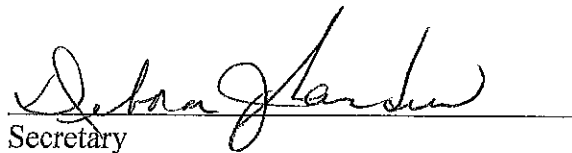
  
 Chairman,  
 Economic Development Authority of the  
 County of Spotsylvania

ATTEST:

  
 Secretary

The undersigned Secretary of the Economic Development Authority of the County of Spotsylvania hereby certifies that the foregoing is a true, correct, and complete copy of a Resolution adopted by the Authority's directors present and voting at a meeting duly called and held on July 22, 2021, in accordance with law, and that such Resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

Dated July 22, 2021

  
 Secretary

