

October 25, 2011

County of Greene, Virginia

THE GREENE COUNTY BOARD OF SUPERVISORS MET ON TUESDAY OCTOBER 25, 2011 AT 5:30 P.M. IN THE COUNTY MEETING ROOM.

Present were: Steve Catalano, Chairman  
Clarence Peyton, Vice Chairman  
Jim Frydl, Member  
Carl Schmitt, Member  
Mike Skeens, Member  
Ray Clarke, County Attorney  
Barry Clark, County Administrator  
Patti Vogt, Deputy Clerk  
Tracy Morris, Finance Director

**RE: EXECUTIVE SESSION**

Upon motion by Clarence Peyton and unanimous vote, the Board entered into Executive Session to discuss legal and personnel matters pursuant to Section 2.2-3711 Subsection (a, 1-7) of the Code of Virginia.

**Contract Matters:**

- Emergency Services

**Legal:**

- Pending Litigation

**Personnel:**

- Administration

Recorded vote:	Steve Catalano	-	Yes
	Clarence Peyton	-	Yes
	Jim Frydl	-	Yes
	Carl Schmitt	-	Yes
	Mike Skeens	-	Yes

Motion carried.

Upon motion by Clarence Peyton and unanimous vote, the Board returned to Open Session.

Recorded vote:	Steve Catalano	-	Yes
	Clarence Peyton	-	Yes
	Jim Frydl	-	Yes
	Carl Schmitt	-	Yes
	Mike Skeens	-	Yes

Motion carried.

By unanimous vote, all members certified that only public business matters lawfully exempted from the Open Meeting requirement and only such matters as identified by the motion to enter into Executive Session were discussed.

Recorded vote:	Steve Catalano	-	Yes
	Clarence Peyton	-	Yes
	Jim Frydl	-	Yes
	Carl Schmitt	-	Yes
	Mike Skeens	-	Yes

Motion carried.

RE: PUBLIC HEARING – JERRY, KATHRYN AND STEVEN WORLEY – REZONE#08-005

Mr. Bart Svoboda, Zoning Administrator, reviewed the request from Jerry, Kathryn and Steve Worley to rezone from A-1, Agriculture, to B-2, Business, approximately 2.66 acres located on Fredericksburg Road/Spotswood Trail and identified on County Tax Maps as 38-(A)-127. (RZ#08-005) Mr. Worley submitted an update yesterday (October 24) which included the fiscal impact analysis and preliminary site plan.

The original request was to rezone to B-3. Due to so many delays in the process and the change to B-2 zone, the application was actually taken back to Planning Commission to restart the process. The Planning Commission recommended denial of the request at their meeting in March, 2011.

Mr. Svoboda said the applicant is not present at this meeting. The proffers, which are not signed, are for the B-3 zoning request. The County Attorney pointed out that the proffers are not valid if they are not signed.

Mr. Catalano said he was concerned that this is the first time in his tenure that the applicant is not present for the public hearing.

The Chairman opened the floor for public comment. There were no comments.

Upon motion by Carl Schmitt and unanimous vote, the Board deferred the request from Jerry, Kathryn and Steve Worley to rezone from A-1, Agriculture, to B-2, Business, approximately 2.66 acres located on Fredericksburg Road/Spotswood Trail and identified on County Tax Maps as 38-(A)-127 RZ#08-005) to Tuesday, December 13, 2011,

Recorded vote:	Steve Catalano	-	Yes
	Clarence Peyton	-	Yes
	Jim Frydl	-	Yes
	Carl Schmitt	-	Yes
	Mike Skeens	-	Yes

Motion carried.

RE: MATTERS FROM THE PUBLIC

There were no comments from the public.

RE: CONSENT AGENDA

After the Chairman read the proposed resolution, the Board, upon motion by Clarence Peyton and unanimous vote, approved the resolution in honor of Mr. Lee Estes. (See Attachment "A")

Recorded vote:	Steve Catalano	-	Yes
	Clarence Peyton	-	Yes
	Jim Frydl	-	Yes
	Carl Schmitt	-	Yes
	Mike Skeens	-	Yes

Motion carried.

Upon motion by Carl Schmitt and unanimous vote, the Board approved the following items on the consent agenda:

- a. Minutes of October 11, 2011 meeting.
- b. Resolution to authorize a lease purchase agreement for Sheriff's Department vehicles and school buses with an amount not to exceed \$417,662. (See Attachment "B")
- c. Authorization for Finance Director to process necessary transactions to close year ending June 30, 2011.

Recorded vote:	Steve Catalano	-	Yes
	Clarence Peyton	-	Yes
	Jim Frydl	-	Yes
	Carl Schmitt	-	Yes
	Mike Skeens	-	Yes

Motion carried.

RE: OTHER MATTERS FROM THE BOARD

CHESAPEAKE BAY CLEANUP

Mr. Peyton noted there will be a meeting regarding the Chesapeake Bay Cleanup on December 7.

PLANNING COMMISSION

Mr. Schmitt said the Planning Commission had a full agenda at their last meeting. Three Special Use Permit requests and three amendments to the Zoning Ordinance were considered.

SCHOOLS

Mr. Frydl said a higher number of students took the SAT's last year and test scores also increased. Greene was only behind Albemarle and Charlottesville.

The School Board is considering having a student population study conducted. There have been articles in the local paper regarding growth in the schools.

Mr. Catalano said a workshop between the Board of Supervisors and the School Board is scheduled for January, 2012.

MANDATE REVIEW

Mr. Schmitt suggested the County send a letter to the Governor's Mandate Review Committee supporting recommendations made by the Virginia Association of Counties regarding State mandates.

SCHOOLS

Mr. Schmitt said the expansion of athletic facilities at the schools was based on debt reduction. Wave two debt reductions, totaling approximately \$570,000 per year, will be between 2016 and 2019. He suggested targeting expansion of the schools during that time frame to take advantage of the window of opportunity.

Yearly Progress) requirements. Therefore, parents could opt to send their children to Ruckersville Elementary School.

Mr. Peyton expressed concern about overcrowding at RES. Mr. Frydl said the number of students that have transferred has not caused an overcrowding issue. There is a limit to the number of students that would be allowed to transfer to RES.

Mr. Schmitt noted the high school football team has scored over 100 points in the last two games.

#### MANDATES

Mr. Catalano said he is comforted that the Governor has proposed a review of State mandates and wondered what localities can expect. Mr. Schmitt said it seems that the Governor is making a genuine effort by forming this special committee. Mr. Catalano hoped this would not be an exercise in futility. Mr. Peyton felt the County will have to "dig in" again this year.

Mr. David Blount, Legislative Liaison, will be present at the next meeting on November 15. The Board can discuss mandates with him at that time.

#### RE: ADJOURN MEETING

The meeting was adjourned at 8:07 p.m. The next scheduled meeting of the Board of Supervisors will be on Tuesday, November 15, 2011.

A handwritten signature in black ink, appearing to read 'S. Catalano', is written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke at the end.

Steve Catalano, Chairman  
Greene County Board of Supervisors

## ***RESOLUTION***

***WHEREAS***, the Board of Supervisors was greatly saddened to learn of the passing of Mr. Lee Estes on September 22, 2011; and

***WHEREAS***, Lee was very active in the local government and among other things, served as tie-breaker to the Board of Supervisors; as County representative on the Jefferson Area Board for Aging; as County representative on the Thomas Jefferson Planning District Commission; and as County representative on the Central Virginia Regional Jail Board; and

***WHEREAS***, Lee regularly attended meetings of the Board of Supervisors for many years and made invaluable contributions and suggestions regarding County policy and operations; and

***WHEREAS***, Lee will be remembered for his kind and generous gestures to many;

***THEREFORE BE IT RESOLVED*** by the Greene County Board of Supervisors to honor Mr. Lee Estes with this resolution of appreciation for all the contributions and service he provided over the many years to the Board of Supervisors and the citizens of Greene County. He will be greatly missed.

Adopted in Open Meeting this 25<sup>th</sup> day of October, 2011.



Steve Catalano, Chairman  
Greene County Board of Supervisors

## RESOLUTION

### **AUTHORIZING A LEASE PURCHASE AGREEMENT, SERIES 2011B ("BANK-QUALIFIED")**

**WHEREAS**, Greene County, Virginia (the "County") proposes to enter into an exempt lease purchase financing in order to pay capital costs to acquire and equip two (2) Sheriff's Department vehicles for essential governmental use and purposes in the County and five (5) school busses to be titled in the name of the School Board of the County and used in connection with the operation of the Greene County Public Schools (the "Project"), as further described herein.

**WHEREAS**, in a letter to the County dated October 19, 2011 (as amended and supplemented from time to time, the "Bank Term Sheet", a copy of which is attached hereto as Exhibit A), SunTrust Bank (the "Bank") has offered to assist the County with the lease purchase financing of the Project and to enter into a Lease Purchase Agreement, Series 2011B ("Bank-Qualified") (the "Agreement"), to be dated and delivered by the County on or around September 20, 2011, between the Bank, as Lessor thereunder, and the Board of Supervisors the County, as Lessee thereunder (the "Board").

**WHEREAS**, pursuant to the terms of the Bank Term Sheet and the Agreement, the Bank will pay the costs of the Project, including costs of issuance in connection with the Agreement (for convenience, the "Project"), and, as Lessor, will lease the Project to the County, as Lessee.

**WHEREAS**, the County reasonably expects the Project to continue to be essential to the functions of the County for a period that is not less than the term of the Agreement.

**WHEREAS**, the necessary steps under the Virginia Public Procurement Act, Chapter 43, Title 2.2 of the Code of Virginia, 1950, as amended, have been taken in connection with the Project.

**WHEREAS**, all amounts payable under the Agreement are subject to sufficient appropriations from the Board, upon due request of the County Administrator or other officer of the County charged with the responsibility of preparing the County's budget for each fiscal year, and the County is under no obligation to make any appropriation with respect to the Agreement.

**WHEREAS**, further, the Agreement shall not constitute a general obligation of the County, or a pledge of the full faith and credit of the County, or a charge against the general credit or taxing power of the County, and any amounts payable under the Agreement shall not constitute a debt of the County within the meaning of any constitutional or statutory limitation.

**WHEREAS**, at the request of the Bank, as Lessor under the Agreement, the County desires to designate the principal amount of the Agreement as a "qualified tax-exempt obligation" under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF GREENE COUNTY, VIRGINIA:**

1. Essential Governmental Purpose of Project. The Board hereby finds and determines that the Project and the terms and conditions of the Bank Term Sheet and the Agreement, including the rental payments to the Bank, as Lessor, are in the best interests of the County, for the acquisition and equipping of the Project, including the lease purchase financing thereof, and are in furtherance of essential governmental purposes.

In addition, as to the portion of the Project that constitutes the school busses, the County further finds and determines that such lease purchase financing arrangements shall provide the most cost-effective means for the County to acquire and provide such personal property, as set forth in the County's 2011-2012 capital budget, for the benefit of, and use by, the Greene County Public Schools. To such end, the County hereby directs that the school busses shall be titled in the name of the School Board of the County in connection with its ownership, general operation, and maintenance of school busses for the benefit of the Greene County Public Schools.

2. Approval of Bank Term Sheet and Agreement; Designation of Agreement and Details. The Board hereby approves the general lease purchase terms as presented by the Bank and required under the conditions of the Bank Term Sheet and provisions of the Agreement. Accordingly, it is to be understood that, upon commencement of the Agreement and the Bank's payment of the costs of the Project, security liens in favor of the Bank shall be filed with respect to such personal property that comprises the Project, all in accordance with the requirements and procedures of the Virginia Department of Motor Vehicles.

The payment of \$250 Bank Fees (as set forth in the Bank Term Sheet) is hereby authorized and directed to be paid from the original principal proceeds of the Agreement.

The Agreement shall be dated the date of issuance and delivery thereof; shall provide for annual payments of rental thereunder to be computed over a term up to three (3) years at a rate not to exceed 2.0% per annum, in arrears; shall be designated up to "\$417,662 *Greene County, Virginia Lease Purchase Agreement, Series 2011B ("Bank-Qualified")*"; and shall be fully registered. The Deputy County Administrator/Finance Director is hereby appointed as Registrar of the Agreement.

The Chairman, Vice-Chairman, and the County Administrator, any one or more of whom may act (whether individually or collectively, the "County Representative"), are each expressly authorized and directed hereunder to finally determine and approve all details of the Agreement, including without limitation, the maturity or payment dates and amounts and the final maturity date; provided, however that the maximum principal amount authorized under the Agreement shall not exceed \$417,662, and the Agreement shall bear interest in arrears at a rate not to exceed 2.0% per annum to be amortized over a term not to exceed three (3) years.

3. Approval and Execution of Agreement. The form of Agreement, as required by the Bank, is hereby approved as presented at this meeting, such form of Agreement being substantially similar to all prior lease purchase arrangements between the Bank and the County. The execution, delivery, and performance of the Agreement are hereby authorized. The County Representative and the Deputy County Administrator/Finance Director, any one or more of whom may act, are each hereby appointed as Authorized Representatives under the Agreement, and further, are each authorized and directed to execute, acknowledge, and deliver the Agreement with any changes, insertions and omissions therein as may be approved by any one or more of such individuals who shall execute the Agreement, such approval to be conclusively evidenced by such execution and delivery thereof. The Clerk of the Board (and any Deputy Clerk thereof) shall be authorized to affix or to cause to be affixed the County seal to the Agreement, if required, and to attest such seal. Each officer or agent of the County is further authorized and directed to execute and deliver on behalf of the County such additional instruments, documents or certificates, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized herein or contemplated by the Agreement, including, but not limited to such instruments and performance of acts as may be required in order for the Agreement to qualify as an exempt "bank-qualified" lease purchase financing arrangement pursuant to the provisions of the Code and Treasury Regulations thereunder and the laws of the Commonwealth of Virginia. All of the foregoing acts previously performed by such officers or agents of the County are in all respects approved, ratified and confirmed.

4. Tax Compliance Matters. The County hereby represents and covenants that the Project, and all proceeds thereof, shall be used for the essential governmental purposes of the County Sheriff's Department. To the extent that the principal amount of the Agreement, together with any proceeds thereof (including but not limited to investment earnings thereon, if any), shall exceed the actual cost of the Project, as presently contemplated, it is to be understood that the County hereby authorizes that any such additional amounts available under the Agreement, if any, shall be expended by the County for capital projects for essential governmental purposes, or as otherwise may be required under the Code, including the optional prepayment of a portion of the outstanding principal amount of the Agreement to the extent required by law.

Accordingly, the County shall execute and deliver an appropriate certificate as to nonarbitrage or other tax certificate (the "Tax Certificate") in order to demonstrate compliance with the provisions of the Code, including the provisions of Section 148 of the Code and applicable regulations relating to "arbitrage bonds". The County Representative and the Deputy County Administrator/Finance Director, any one or more of whom may act, are each hereby authorized and directed to execute and deliver the Tax Certificate on the day of issuance of the Agreement. The County further covenants that (i) the proceeds from the issuance and delivery of the Agreement, all as described under the Code, will be expended and invested as set forth in the Agreement and that the County shall comply with the covenants and representations contained therein, and (ii) the County shall comply with the provisions of the Code so that the interest component of the rental being paid by the County to the Bank will remain excludible from gross income for Federal income tax purposes.

5. Designation of Agreement as "Bank-Qualified". The County hereby designates the Agreement as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code. The County affirms its reasonable expectation as to compliance with the various \$10 million limitations therein, including the covenant that the County reasonably anticipates that no more than aggregate \$10,000,000 tax-exempt obligations shall be issued by the County, including any "subordinate" entities of the County or "on behalf of" entities thereof (within the meaning of the Code) during the current calendar year 2011 in accordance with the "bank qualification" requirements of Section 265(b)(3) of the Code.

6. Nature of Obligation. It is to be understood that the Agreement represents a rental arrangement between the County and the Bank. Nothing in this Resolution or the Agreement shall constitute a debt of the County, and the Board shall not be obligated to make any payments under this Resolution or the Agreement except from monies appropriated therefor, from time to time.

7. Effective Date. This Resolution shall be effective upon its adoption.

**DATED: October 25, 2011**

**BOARD OF SUPERVISORS OF  
GREENE COUNTY, VIRGINIA**

By: \_\_\_\_\_  
Chairman

**CERTIFICATE OF VOTES**

The undersigned hereby certifies that the foregoing constitutes a true and correct copy of the foregoing Resolution duly adopted by the Board of Supervisors of Greene County, Virginia, upon a roll-call vote at a regular meeting duly held and called on the date hereof, and that the recorded roll-call vote of the Board of Supervisors is as follows:

<b>NAME</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Steve Catalano, Chairman				
Buggs Peyton, Vice-Chairman				
James F. Frydl				
Michael R. Skeens				
Carl H. Schmitt				

Dated: October 25, 2011

**GREENE COUNTY, VIRGINIA**

*[SEAL]*

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Clerk of the Board of Supervisors

# Exhibit A

## Greene County, Virginia Proposed Terms and Conditions

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<b>General Structure:</b>	Listed below is an outline of the significant terms and conditions of the financing subject to completion of due diligence and final credit approval.
<b>Borrower:</b>	Greene County, VA (the "County")
<b>Amount:</b>	Up to \$415,000
<b>Facility:</b>	Tax Exempt, Bank Qualified Note (the "Note")
<b>Purpose:</b>	To provide funding for the lease purchase of 5 school buses and 2 sheriff's vehicles.
<b>Security:</b>	Lien on the vehicles purchased.
<b>Final Maturity:</b>	3 years from the date of closing.
<b>Interest Rate:</b>	

### Tax Exempt, Bank Qualified Pricing

	Current Rates
Fixed Rate	*2.00%
<b>Upfront Costs</b>	
Bank Fees	\$250
Accrual basis shall be 30/360 days	

\*Rate will be held until November 21, 2011.

<b>Yield Maintenance Language:</b>	The interest rates quoted herein take into consideration a marginal maximum federal corporate tax rate of 35%. In the event of a decrease in the marginal maximum corporate tax rate, the Bank shall have the right to adjust the interest rate upwards in order to maintain the same after tax yield for the Bank.
<b>Interest Due:</b>	Annually, in arrears.
<b>Amortization:</b>	The Note will be based on a 3-year level debt amortization schedule, with payments made annually, in arrears.
<b>Optional Redemption:</b>	The County may prepay the Note at any time without penalty.

**Greene County, Virginia**  
**Proposed Terms and Conditions**

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- Funding:** The Note will be fully funded at closing.
- Closing Date:** To be determined upon acceptance.
- Documentation:**
- Note between SunTrust and the County;
  - Statement of no material deterioration in financial condition since Fiscal Year End June 30, 2010;
  - Annual receipt of the County's CAFR;
  - Others as required by Bond Counsel.
- Legal Fees and Transaction Costs:** The County will pay all fees and expenses of the transaction including but not limited to reasonable fees and expenses of its counsel. In order to reduce the County's financing costs, SunTrust would not anticipate using outside Bank Counsel.
- Legal Opinions:** Bond Counsel will give the customary opinion as to authorization, validity, permits and other matters requested by the Bank. A satisfactory opinion of recognized bond counsel on the bank qualification and the exclusion of interest from gross income for Federal and State income taxes would be necessary at or prior to closing.
- General Covenants:** Subject to negotiation, but will include those customary for these types of facilities and others that are appropriate in the context of the financing and are subject to approval by the lender.
- Acceptance of Proposal:** Acceptance of SunTrust's proposal should be directed to any of the following.

Dennis Howard  
(434) 847-2356

Tim Cecil  
(434) 782-5219

**Submitted by:**

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Dennis R. Howard  
Senior Vice President  
SunTrust Bank

**Greene County, Virginia**  
**Proposed Terms and Conditions**

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**Disclaimer**

*This Term sheet is presented to the above-referenced borrower in connection with a credit facility proposed by SunTrust Bank. This Term Sheet describes some of the basic terms proposed to be included in loan documents between the Bank and the borrower. This Term Sheet is for discussion purposes only and is not a commitment, nor does it purport to summarize all of the conditions, covenants, representations, warranties, events of default or other provisions that may be contained in documents required to consummate this financing. The terms are subject to standard credit underwriting and approval and to negotiation and execution of loan documents in form and substance satisfactory to the Bank and its counsel. This Term Sheet is confidential and may not be disclosed to third parties without prior consent of the Bank.*