

RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF ALBEMARLE COUNTY, VIRGINIA, APPROVING A PLAN TO FINANCE CERTAIN PUBLIC FACILITIES PROJECTS AND REFUND CERTAIN PRIOR BONDS THROUGH THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE AND REFUNDING BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$110,000,000

WHEREAS, the Economic Development Authority of Albemarle County, Virginia (formerly the Industrial Development Authority of Albemarle County, Virginia) (the “Authority”), pursuant to the Industrial Development and Revenue Bond Act (the “Act”), under which it was created, is authorized to exercise all 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 purposes of the Act, to finance or refinance 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 with its loans or from any source, as security for the payment of principal of and premium, if any, and interest on any such obligations;

WHEREAS, the County of Albemarle, Virginia (the “County”), has requested that the Authority assist the County by undertaking a financing to pay the costs of certain projects in the County’s Capital Improvement Plan including (without limitation) capital expenditures related to the following governmental and public purpose categories: (a) County administration, (b) judicial, (c) parks, recreation and cultural, (d) public safety, (e) public works, (f) schools, (g) transportation (h) water resources and (i) solid waste (collectively, the “Series 2021 Project”);

WHEREAS, the County has requested that the Authority undertake for debt service savings purposes refundings of all or a portion of the Authority’s outstanding (a) Public Facility Revenue and Refunding Bonds, (Albemarle County Project), Series 2011 (the “2011 Bonds”), (b) Public Facility Revenue Bonds (Albemarle County Project), Series 2013 (the “2013 Bonds”), and (c) Lease Revenue Bond (Albemarle County School Projects), Series 2015 (the “2015 Bond”), the proceeds of which were loaned to the County to finance and refinance various public facility projects for the benefit of the County;

WHEREAS, the County has requested that the Authority issue one or more series of Public Facility Revenue and Refunding Bonds (Albemarle County Projects) (collectively, the “Bonds”), and use the proceeds thereof to (a) finance or reimburse the costs of the Series 2021 Project, (b) refund all or a portion of the outstanding 2011 Bonds, the 2013 Bonds and the 2015 Bond (such refunded portions, the “Refunded Bonds”), (c) pay as desired interest on the Bonds up to one year following completion of the Series 2021 Project, (d) fund as desired a reserve fund for the Bonds and (e) pay the related costs of issuance and refunding;

WHEREAS, the Bonds will be secured by payments appropriated from time to time by the Board of Supervisors of Albemarle County, Virginia (the “County Board”) and payable to the Authority in accordance with the terms of the Financing Agreement (as defined herein);

WHEREAS, the County administration has recommended that Hunton Andrews Kurth LLP (formerly Hunton & Williams LLP), Richmond, Virginia, be approved as bond counsel;

WHEREAS, there have been circulated prior to this meeting drafts of the following documents (collectively, the “Documents”), proposed in connection with the issuance and sale of the Bonds (in one or more series):

(a) a form of Supplemental Agreement of Trust, supplementing the Agreement of Trust dated as of March 1, 2003, as previously supplemented (collectively, the “Trust Agreement”), all between the Authority and U.S. Bank National Association, as successor trustee (the “Trustee”), pursuant to which the Bonds are to be issued and which is to be acknowledged and consented to by the County;

(b) a form of the Bonds (attached as Exhibit A to the form of the Supplemental Agreement of Trust);

(c) a form of Supplemental Financing Agreement (the “Supplemental Financing Agreement”), supplementing a Financing Agreement dated as of March 1, 2003, as previously supplemented (collectively, the “Financing Agreement”), all between the Authority and the County, pursuant to which the Authority will loan the proceeds of the Bonds to the County and the County will undertake, subject to appropriation, to make payments to the Authority in amounts sufficient to pay the principal of and premium, if any, and interest on the Bonds and certain other related costs; and

(d) a form of Preliminary Official Statement relating to the public offering of the Bonds (the “Preliminary Official Statement”);

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

1. The Authority hereby finds that the undertaking of the Series 2021 Project and the refunding of the Refunded Bonds will be in the best interests of the County and its citizens. The Authority hereby approves the following plan to issue the Bonds for such purposes. The Authority will issue the Bonds (in one or more series) and use the proceeds thereof to (a) finance or reimburse the costs of the Series 2021 Project, (b) refund the Refunded Bonds, (c) pay as desired interest on the Bonds up to one year following completion of the Series 2021 Project, (d) fund as desired a reserve fund for the Bonds and (e) pay the related costs of issuance and refunding. Pursuant to the Financing Agreement, the County will undertake to make certain Basic 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 the Basic Payments and Additional Payments received from the County. The Bonds will be secured by an assignment of the Basic Payments and certain Additional Payments due under the Financing Agreement, all for the benefit of the holders of the Bonds. The undertaking by the County to make Basic Payments and Additional Payments will be subject to the appropriation by the County Board from time to time of sufficient amounts for such purposes. The plan to issue the Bonds, finance the Series 2021 Project and refund the Refunded Bonds shall contain such additional requirements and provisions as may be approved by the

County Executive (the “County Executive,” which term as used herein shall also include any Deputy County Executive) and the Chairman or Vice-Chairman of the Authority.

2. Subject to Section 3, the Authority hereby authorizes one or more series of Bonds to be issued pursuant to the provisions of the Trust Agreement; provided that (a) the aggregate principal amount of all series shall not exceed \$110,000,000, (b) the “true” or “Canadian” interest cost of the Bonds of any series issued on a federally tax-exempt basis shall not exceed 3.00% (taking into account any original issue discount or premium), (c) the “true” or “Canadian” interest cost of the Bonds of any series issued on a federally taxable basis shall not exceed 3.50% (taking into account any original issue discount or premium), (d) the Bonds of any series shall mature or be subject to mandatory sinking fund redemption in installments ending not later than December 31, 2041, (e) the Bonds of any series shall be sold to the purchaser(s) thereof at a price not less than 98% of the aggregate principal amount thereof (without taking into account any original issue discount or premium), (f) the Bonds of any series shall be subject to optional redemption, if at all, at a redemption price not to exceed 102% of their principal amount or at a “make-whole” redemption price, and (g) no Bonds may be issued after December 31, 2021, without further approval by the Authority. The Chairman and Vice-Chairman of the Authority, either of whom may act, are also hereby authorized to approve, in collaboration with the County Executive, the timing for the issuance of the Bonds of any series, the determination of whether the Bonds of any series are issued on a federally tax-exempt or taxable basis, the aggregate principal amount of each series (subject to the aggregate limit for all series of Bonds set forth in clause (a)), the maturity schedule (including serial maturities and term maturities for the Bonds) for each series and the redemption provisions for each series, all as such officers shall determine to be in the best interests of the Authority and the County.

3. The Authority hereby approves the following terms of sale for the Bonds of any series:

(a) Each series of Bonds shall be sold through a competitive sale or a negotiated sale, as requested by the County Executive.

(b) If the County Executive determines that a series of Bonds shall be sold by competitive sale, the County Executive is hereby authorized, on behalf of the Authority, to receive bids for such Bonds and award such Bonds to the bidder providing the lowest “true” or “Canadian” interest cost, subject to the limitations set forth in Section 2. Following a competitive sale, the Chairman or Vice-Chairman of the Authority shall, in collaboration with the County Executive, file a certificate with the Authority and the County Board setting forth the final terms of such Bonds. The actions of the Chairman or Vice-Chairman of the Authority, in collaboration with the County Executive, in selling such Bonds by competitive sale shall be conclusive, and no further action with respect to the sale and issuance of such Bonds shall be necessary on the part of the Authority.

(c) If a series of Bonds is sold by competitive sale, the County Executive is hereby authorized and directed, on behalf of the Authority and in collaboration the Financial Advisor, to take all proper steps to advertise such Bonds for sale pursuant to the terms of a Notice

of Sale, the form of which shall be prepared by the Financial Advisor and the County's bond counsel and approved by the County Executive.

(d) If the County Executive determines that a series of Bonds shall be sold by negotiated sale, the County Executive is hereby authorized and directed, on behalf of the Authority and in collaboration with the Financial Advisor, to choose one or more investment banks or firms to serve as underwriter(s) for such Bonds and to negotiate and finalize the terms of such sale pursuant to a bond purchase agreement (the "Bond Purchase Agreement"). The Chairman and Vice-Chairman of the Authority, either of whom may act, are hereby authorized to execute and deliver the Bond Purchase Agreement in such form as is consistent with the terms of this Resolution and approved by the officer executing such instrument. Such officer's execution and delivery of the Bond Purchase Agreement shall constitute conclusive evidence of such officer's approval of the final form of such instrument. Following a negotiated sale, the Chairman or Vice-Chairman of the Authority shall file a copy of the Bond Purchase Agreement with the records of the Authority. No further action with respect to the sale and issuance of such 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 hereby authorized and directed to execute the Documents (excluding the Preliminary Official Statement and the Notice of Sale), which shall be in substantially the forms circulated prior to this meeting, which forms are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer executing them. Such officer's execution of the Documents shall constitute conclusive evidence of such officer's approval of any such completions, omissions, insertions and changes.

5. The Authority hereby authorizes the distribution of a Preliminary Official Statement to prospective purchasers of the Bonds of any series in a form deemed "final" (within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule")) as of its date, except for the omission of certain pricing and other information permitted to be omitted pursuant to the Rule and with such completions, omissions, insertions and changes as may be approved by the Chairman or Vice-Chairman of the Authority, in collaboration with the County and the Financial Advisor. Such distribution shall constitute conclusive evidence of the approval of such officer as to any such completions, omissions, inserts and changes and that the Authority has deemed such Preliminary Official Statement to be "final" (within the meaning of the Rule) as of its date.

6. The Chairman and Vice-Chairman of the Authority, either of whom may act, are hereby authorized and directed to approve such completions, omissions, insertions and other changes to each Preliminary Official Statement as may be necessary to reflect the terms of sale of the particular series of Bonds and the details thereof and as are appropriate to complete it as an official statement in final form (the "Official Statement") and to execute and deliver the Official Statement when the same has been approved by the County. The County Executive is hereby authorized, on behalf of the Authority, to distribute the Official Statement to the purchaser(s) of the particular series of Bonds. Execution and distribution of each Official Statement by the Chairman or Vice-Chairman shall constitute conclusive evidence of such officer's approval of any

such completions, omissions, insertions and changes and that the Authority has deemed such Official Statement to be “final” (within the meaning of the Rule) as of its date.

7. The Chairman and Vice-Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the Bonds of each series by manual or facsimile signature, the Secretary-Treasurer of the Authority is hereby authorized and directed to affix the seal of the Authority to or print a facsimile thereof on such Bonds and to attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver such Bonds to the Trustee for authentication and delivery to the purchaser(s) thereof upon payment therefor.

8. All costs and expenses in connection with the issuance of each series of Bonds, the financing of the Series 2021 Project and the refunding of the Refunded Bonds, including the Authority’s fees and expenses and the related fees and expenses of bond counsel, counsel for the Authority, and the Financial Advisor, shall be paid from the proceeds of the particular series of Bonds or other legally available funds of the County. If for any reason any series of Bonds is not issued, it is understood that all such fees and expenses incurred in connection with such series of Bonds shall be paid by the County from its legally available funds and that the Authority shall have no responsibility therefor.

9. At the request of the County and subject to the direction of the County Executive, the Authority hereby authorizes the redemption of the Refunded Bonds and authorizes and directs the officers of the County and the Authority to take all proper steps to call for redemption the Refunded Bonds and to prepare and deliver any such notices and correspondences necessary therefor.

10. 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 each series of Bonds, the financing of the Series 2021 Project and the refunding of the Refunded Bonds, including without limitation (a) executing and delivering a certificate setting forth the expected use and investment of the proceeds of the particular series of Bonds (if issued on a federally tax-exempt basis) 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 such Bonds (if issued on a federally tax-exempt basis), (c) providing for the County to pay any such rebate amount and (d) filing, as applicable, an Internal Revenue Service Form 8038-G. The foregoing shall be subject to the advice, approval and direction of bond counsel.

11. The Authority consents to the recommendation by the County that Hunton Andrews Kurth LLP serve as bond counsel for the issuance and sale of each series of Bonds.

12. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and, if applicable, 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 each series of the Bonds, the financing of the Series 2021 Project and the refunding of the Refunded Bonds are hereby approved and ratified.

14. This Resolution shall take effect immediately.