

## BOARD OF SUPERVISORS MINUTES

OCTOBER 11, 2016

At a worksession of the Orange County Board of Supervisors held on Tuesday, October 11, 2016, beginning at 4:00 p.m., in the Meeting Room of the Gordon Building, 112 West Main Street, Orange, Virginia. Present: Lee H. Frame, Chairman; S. Teel Goodwin, Vice Chairman; R. Mark Johnson; James K. White, and James P. Crozier. Also present: R. Bryan David, County Administrator; Thomas E. Lacheney, County Attorney; and Alyson A. Simpson, Chief Deputy Clerk.

RE: PUBLIC SAFETY COMMUNICATIONS SYSTEM, CONSOLIDATED E-911 DISPATCH AND FACILITY, AND FIBER OPTICS/RURAL BROADBAND INITIATIVE CAPITAL PROJECTS FINANCING UPDATE

R. Bryan David, County Administrator, explained that at the worksession on September 27, 2016, the Board reviewed the individual elements comprising these pending capital projects. As such, the County's Financial Advisors, Davenport and Company, received the working draft of the individual elements and updated the financing models for further consideration by the Board.

Mr. David introduced Kyle Laux, representative from Davenport and Company, who gave a presentation to the Board regarding the proposed financing models. His presentation included information on the following topics: key funding and project assumptions for both the selected projects as well as other future capital projects; available reserves funding; a debt affordability analysis using the County's existing debt only; a debt affordability analysis for Scenario 1 (use of reserves); a debt affordability analysis for Scenario 2 (upfront tax impact); and a review of the County's debt profile and key debt ratios.

Discussion ensued among the Board regarding: the rationale behind a shorter loan length; whether or not the projects would be funded in separate or combined bond issues; the flexibility to move funding between master projects based on actual bid amounts versus estimates; structure of the first debt payment; structure of yearly debt payments; application of any surplus funds to the broadband project; the maintaining of existing debt service levels; the annual decision related to use of general fund reserves; and the rating agencies' use of reserve policies.

The Board took the information related to the capital project financing under advisement, and there was no action taken at this time. There was an understanding that a financing update would also be presented to the Board at its next worksession on October 25, 2016.

RE: TEXT AMENDMENT REGARDING SELF STORAGE  
This item was tabled until the Regular Meeting.

RE: TEXT AMENDMENT REGARDING NON-CONFORMITIES  
This item was tabled until the Regular Meeting.

RE: ADJOURN  
The Board concluded its Worksession and continued to its Regular Meeting at 5:02 p.m.

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Lee H. Frame, Chairman

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R. Bryan David, County Administrator