

**RESOLUTION OF SUPPORT FOR PROJECTS AND USE OF BOND FINANCING BY
THE NEW RIVER VALLEY REGIONAL WATER AUTHORITY**

WHEREAS, on August 26, 2019, the Board of Visitors of Virginia Polytechnic Institute and State University (the “Board”), adopted its resolution approving the Second Amended and Restated Water Agreement (the “Water Agreement”), by which it approved the joinder of Montgomery County to the New River Valley Regional Water Authority (the “Authority”), and agreed to purchase its potable water requirements from the Authority at such rates and charges as may be set in accordance with law; and

WHEREAS, the Authority has received a commitment from the Virginia Resources Authority (“VRA”), as administrator of the Virginia Water Supply Revolving Fund, to purchase the Authority’s Tax-Exempt Water System Revenue Bond, Series 2020 (the “Local Bond”), in order to finance the below-defined Project; and

WHEREAS, the Local Bond will be in a principal amount not to exceed \$36,928,000, shall mature no later than December 31, 2055, and shall bear interest (also referred to as a “Cost of Funds”) not to exceed 2.5 percent per year (the “Parameters”); and

WHEREAS, the Local Bond will provide funds to finance (i) the NRV Regional Water Authority Water Treatment Plant Upgrade, which will include a complete refurbishment and upgrade of the Authority’s Water Treatment Plant, which was constructed in the 1950s and last significantly upgraded in the 1970s, and (ii) other improvements of the Authority’s water system, including costs of issuance (collectively the “Project”); and

WHEREAS, the Board has been asked by VRA, along with the other parties to the Water Agreement, to adopt and provide a resolution affirming its support of the acquisition, construction, equipping, occupation, operation, and use of the Project and the issuance of the Local Bond by the Authority;

NOW THEREFORE, BE IT RESOLVED, that the Board of Visitors of Virginia Polytechnic Institute and State University affirms its support of the acquisition, construction, equipping, occupation, operation, and use of the Project and the related issuance of the Local Bond by the Authority, subject to the Parameters; and

BE IT FURTHER RESOLVED, that the Secretary of the Board of Visitors is authorized and directed to certify copies of this Resolution to the Authority and VRA, and

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately upon its adoption.

RECOMMENDATION:

That the above resolution supporting New River Valley Regional Water Authority projects and use of bond financing be approved.

May 27, 2020