

RESOLUTION NO. 11901-09

A RESOLUTION OF THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, APPROVING THE ISSUANCE OF DEBT BY THE HAMPTON ROADS REGIONAL JAIL AUTHORITY.

WHEREAS, the City of Newport News, Virginia (the "City") entered into that certain Service Agreement, dated December 1, 1995 (the "Service Agreement") among the City and the cities of Hampton, Norfolk and Portsmouth (collectively, the "Member Jurisdictions") and the Hampton Roads Regional Jail Authority (the "Authority"), in connection with the acquisition, construction, equipping and operation of a regional jail facility located in Portsmouth, Virginia (the "Regional Jail"); and

WHEREAS, pursuant to the Service Agreement, the Member Jurisdictions are responsible for the payment of fees and charges for the use by their prisoners of the Regional Jail, and such payments are the primary source of revenue from which the Authority pays expenses of operations, including debt service on its bonds and other obligations; and

WHEREAS, the Board of Directors of the Authority has authorized and approved the proposed issuance by the Authority of its refunding revenue bonds in the aggregate principal amount not to exceed \$15,000,000 (the "Bonds") for the purpose of refinancing a portion of the Authority's revenue bonds issued in 1996 in connection with the initial acquisition, construction and equipping of the Regional Jail and the costs of issuing the Bonds (the "Project"); and

WHEREAS, the Authority and the City have determined it is in the best interest of the Authority to sell the Bonds to the Virginia Resources Authority ("VRA"), which will result in substantial benefit and savings to the Authority and the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Newport News, Virginia that:

1. Consent to Issuance and Sale of Bonds. The City hereby acknowledges the benefits and savings and consents to the issuance and sale of the Bonds by the Authority to VRA for the Project described above, subject to the adoption of similar resolutions by the governing bodies of the other Member Jurisdictions.

2. Bonds Limited Obligation of the Authority. The City hereby acknowledges and agrees that the source of the payment of and security for debt service on the Bonds are the revenues of the Authority, including but not limited to the fees and charges paid by the City. It is to be understood that the documents reflecting the terms and provisions of the Bonds shall provide that such indebtedness shall not be deemed to constitute a debt or pledge of the faith and credit or the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the City, and that neither the Commonwealth nor any other political subdivision nor the Authority nor the City shall be obligated to pay the principal of, premium, if any, or interest on such indebtedness or other costs incident thereto, except from the revenues pledged by the

Authority therefor, all as permitted by law and described under the documentation in connection with the Bonds.

3. Ratification of Service Agreement. All terms and provisions of the Service Agreement are hereby ratified and confirmed by the City.

4. Effective Date. This resolution shall be in effect on and after the date of its adoption, September 22, 2009.

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON SEPTEMBER 22, 2009

Mabel Washington Jenkins, CMC  
City Clerk

Joe S. Frank  
Mayor

A true copy, teste:

City Clerk