

At a regular meeting of the Council of the Town of Vienna, Virginia, held on the 29th day of January, 2018, the following members of the Council were recorded as present:

PRESENT:

On motion by _____, seconded by _____,
the attached Ordinance was adopted by a majority of the members of the Council by a roll call
vote, the votes being recorded as follows:

MEMBER

VOTE

ORDINANCE NO. _____

ORDINANCE

**AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION PUBLIC
IMPROVEMENT BONDS, NOTES OR OTHER FORMS OF INDEBTEDNESS OF THE
TOWN OF VIENNA, VIRGINIA IN A PRINCIPAL AMOUNT NOT TO EXCEED
\$15,000,000; PROVIDING FOR REIMBURSEMENT TO THE TOWN OF VIENNA,
VIRGINIA FROM BOND PROCEEDS; AND AUTHORIZING THE EXECUTION AND
DELIVERY OF CERTAIN DOCUMENTS RELATED THERETO**

WHEREAS, the Council (the “Council”) of the Town of Vienna, Virginia (the “Town”) has determined that it is necessary and expedient to issue its general obligation bonds, notes or other form of indebtedness (the “Bonds,” which may include a DEQ Loan, as defined below) in an amount not to exceed \$15,000,000, in one or more series, which may be tax-exempt or taxable, to finance the cost, in whole or in part, of the following projects: (a) renovation of the Vienna Police Station located at 215 Center Street South in Vienna, Virginia, (b) water and sewer system improvements, (c) stormwater improvements (which may be financed by a Virginia Department of Environmental Quality Loan in a principal amount not to exceed \$150,000 (a “DEQ Loan”)), (d) parking facilities construction, (e) acquisition of real property, and (f) certain other public improvements described in the Town’s capital improvement plan including, without limitation, improvements to roads, sidewalks and parks and upgrades to and equipping of recreational and other public facilities (collectively, the “Project”);

WHEREAS, the Town held a public hearing, duly noticed, on January 29, 2018 on the issuance of the Bonds in accordance with the requirements of Section 15.2-2606, Code of Virginia, as amended;

WHEREAS, the issuance and sale of the Bonds will be reflected in one or more documents which the Town proposes to execute and carry out in connection with such issuance and sale, which may include, but shall not be limited to, some or all of the following, forms of which have been submitted to this meeting:

- (a) the Bonds;
- (b) the Official Notice of Bond Sale;
- (c) the Continuing Disclosure Agreement; and
- (d) the Preliminary Official Statement;

WHEREAS, all of the documents listed above and any documents to be executed and delivered by the Town in connection with a DEQ Loan, except the Bonds and the Preliminary Official Statement, are referred to in this Ordinance as the “Basic Documents”;

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF VIENNA, VIRGINIA:

1. Findings of Council. It is determined to be necessary and expedient for the Town to provide funds for the Project and to borrow money for such purposes and issue the Bonds therefor.

2. Authorization of Bonds and Use of Proceeds. The issuance and sale of the Bonds are hereby authorized. The proceeds from the issuance and sale of the Bonds shall be used to pay all or a portion of the costs, in whole or in part, of the Project and the costs of issuance of the Bonds.

3. Pledge of Full Faith and Credit. The full faith and credit of the Town are hereby irrevocably pledged for the payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable. The Council shall levy an annual ad valorem tax upon all property in the Town, subject to local taxation, sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same shall become due for payment unless other funds are lawfully available and appropriated for the timely payment thereof.

4. Details and Sale of Bonds. The Bonds shall be issued upon the terms established pursuant to this Ordinance and upon such other terms as may be determined in the manner set forth in this Ordinance. The Bonds shall be issued in one or more taxable or tax-exempt series, at one time or from time to time, in fully registered form, shall be dated such date or dates as the Town Manager and the Director of Finance, or either of them, may approve, shall be in the denominations of \$5,000 each or whole multiples thereof and shall be numbered from R-1 upwards consecutively. The Bonds shall mature on such dates and in such amounts and shall be issued in such principal amount as the Town Manager and the Director of Finance, or either of them, may approve, provided that the final maturity of any Bond is not more than 40 years from its date and the aggregate principal amount of the Bonds is not more than \$15,000,000. The Town Manager and the Director of Finance, or either of them, is authorized and directed, at the option of such officer, to accept a bid or bids for the purchase of the Bonds which results in the lowest true interest cost to the Town, and the Bonds shall bear interest, payable semi-annually, at such rate or rates and shall be sold to the successful bidder or bidders at such price as may be set forth in the bid or bids so accepted, or, if such officer deems it to be in the Town's financial interest, to forego such competitive bidding and negotiate the sale of the Bonds to one or more initial purchasers; provided that the true interest cost of the Bonds shall not exceed 4.5% per annum. The Town Manager and the Director of Finance, or either of them, is authorized and directed to approve such optional redemption provisions for the Bonds as such officer or officers determine to be in the best interest of the Town. The Council may provide for additional or other terms of the Bonds by subsequent resolution. Notwithstanding the foregoing, any DEQ Loan shall not exceed \$150,000 in principal, shall have a term to maturity not to exceed 25 years, and shall bear interest at an annual rate not to exceed 3.5% per annum.

5. Form of Bonds. The Bonds shall be in substantially the form attached to this Ordinance as Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance. There may be endorsed on the Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

6. Book-Entry-Only-Form. The Bonds may be issued in book-entry-only form. The Bonds shall be issued in fully-registered form and may be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") as registered owner of the Bonds, and immobilized in the custody of DTC. One fully-registered Bond in typewritten

or printed form for the principal amount of each maturity of the Bonds may be registered to Cede & Co. In such event, beneficial owners of the Bonds shall not receive physical delivery of the Bonds and principal, premium, if any, and interest payments on the Bonds shall be made to DTC or its nominee as registered owner of the Bonds on the applicable payment date.

Transfer of ownership interest in the Bonds may be made by DTC and its participants (the “Participants”), acting as nominees of the beneficial owners of the Bonds in accordance with rules specified by DTC and its Participants. The Town shall comply with the agreements set forth in the Town’s Letter of Representations to DTC.

In the event the Bonds are issued in book-entry-only form and registered in the name of DTC’s nominee as permitted above, replacement Bonds (the “Replacement Bonds”) may be issued directly to beneficial owners of the Bonds rather than to DTC or its nominee but only in the event that:

- (i) DTC determines not to continue to act as securities depository for the Bonds; or
- (ii) The Town has advised DTC of its determination not to use DTC as a securities depository; or
- (iii) The Town has determined that it is in the best interest of the beneficial owners of the Bonds or the Town not to continue the book-entry system of transfer.

Upon occurrence of an event described in (i) or (ii) above, the Town shall attempt to locate another qualified securities depository. If the Town fails to locate another qualified securities depository to replace DTC or upon the occurrence of the event described in (iii) above, the Town shall execute and deliver Replacement Bonds substantially in the form set forth in Exhibit A to this Ordinance. Principal of and interest on the Replacement Bonds shall be payable as provided in this Ordinance and in the Bonds, and Replacement Bonds will be transferable in accordance with the provisions of paragraphs 10 and 11 of this Ordinance and the Bonds.

7. Appointment of Bond Registrar and Paying Agent. The Town Manager and the Director of Finance, or either of them, are authorized and directed to appoint a Bond Registrar and Paying Agent for the Bonds, and as long as the Bonds are in book-entry form, the Director of Finance may serve as Bond Registrar and Paying Agent.

The Town Manager and the Director of Finance, or either of them, may appoint a subsequent registrar and/or one or more paying agents for the Bonds upon giving written notice to the owners of the Bonds specifying the name and location of the principal office of any such registrar or paying agent.

8. Execution of Bonds and Related Documents. The Mayor of the Town is authorized and directed to execute and deliver the Bonds on behalf of the Town, and the Town Clerk is authorized and directed to affix the seal of the Town to the Bonds and to attest such seal. The manner of execution and affixation of the seal may be by facsimile, provided, however, that if the signatures of the Mayor and the Clerk are both by facsimile, the Bonds shall not be valid until

signed at the foot thereof by the manual signature of the Bond Registrar. The Town Manager and the Director of Finance of the Town, or either of them, are each authorized to execute and deliver on behalf of the Town the Basic Documents. The Town Manager and the Director of Finance of the Town, or either of them, are each authorized to execute and deliver on behalf of the Town such instruments, documents, certificates or information returns, and to do and perform such things and acts, as he or she deems necessary or appropriate to carry out the transactions authorized by this Ordinance or contemplated by the Bonds, the Basic Documents or such instruments, documents or certificates, and all or the foregoing previously done or performed by such officials of the Town, are in all respects hereby approved, ratified and confirmed.

9. CUSIP Numbers. The Bonds may have CUSIP identification numbers printed thereon. No such number shall constitute a part of the contract evidenced by the Bond on which it is imprinted and no liability shall attach to the Town, or any of its officers or agents by reason of such numbers or any use made of such numbers, including any use by the Town and any officer or agent of the Town, by reason of any inaccuracy, error or omission with respect to such numbers.

10. Registration, Transfer and Exchange. Upon surrender for transfer or exchange of any Bond at the principal office of the Bond Registrar, the Town shall execute and deliver and the Bond Registrar shall authenticate in the name of the transferee or transferees a new Bond or Bonds of any authorized denomination in an aggregate principal amount equal to the Bond surrendered and of the same form and maturity and bearing interest at the same rate as the Bond surrendered, subject in each case to such reasonable regulations as the Town and the Bond Registrar may prescribe. All Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and substance reasonably satisfactory to the Town and the Bond Registrar, duly executed by the registered owner or by his or her duly authorized attorney-in-fact or legal representative. No Bond may be registered to bearer.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the Town, evidencing the same debt as the Bonds surrendered, shall be secured by this Ordinance and entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

11. Charges for Exchange or Transfer. No charge shall be made for any exchange or transfer of Bonds, but the Town may require payment by the registered owner of any Bond of a sum sufficient to cover any tax or other governmental charge which may be imposed with respect to the transfer or exchange of such Bond.

12. Non-Arbitrage Certificate and Tax Covenants. The Town Manager and the Director of Finance, or either of them, and such officers and agents of the Town as either of them may designate are authorized and directed to execute with respect to any Bonds issued as tax-exempt bonds one or more Non-Arbitrage Certificates and Tax Covenants agreements setting forth the expected use and investment of the proceeds of such Bonds and containing such covenants as may be necessary in order to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Tax Code"), including the provisions of Section 148 of the Tax Code and applicable regulations relating to "arbitrage bonds." The Council covenants on behalf of the Town that the proceeds from the issuance and sale of such Bonds will be invested and expended as set forth in

the Town's Non-Arbitrage Certificate(s) and Tax Covenants agreement(s) relating to such Bonds, to be delivered simultaneously with the issuance and delivery of such Bonds and that the Town shall comply with the other covenants and representations contained therein.

13. Disclosure Documents. The Town Manager and the Director of Finance, or either of them, and such officers and agents of the Town as either of them may designate are hereby authorized and directed to prepare, execute, if required, and deliver appropriate disclosure documents, including the Basic Documents, as may be necessary to expedite the sale of the Bonds. Such disclosure documents shall be published in such publications and distributed in such manner, including electronically, and at such times as the Director of Finance shall determine. The use and distribution of one or more Preliminary Official Statements and any supplements thereto are hereby authorized. The Preliminary Official Statement(s) shall be in substantially the form submitted to this meeting, with such completions, omissions, insertions and changes not inconsistent with this Ordinance as may be agreed to by the Town Manager and the Director of Finance of the Town, or either of them, in consultation with bond counsel to the Town, and the Town Manager and the Director of Finance of the Town, or either of them, are authorized to deem the Preliminary Official Statement(s) final within the meaning of Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission, except for certain pricing and other information as permitted by the Rule. The Town Manager and the Director of Finance of the Town or either of them is authorized and directed to make such completions, omissions, insertions and other changes to the Preliminary Official Statement(s) as necessary to reflect the terms of the Bonds and appropriate to complete it/them as official statement(s) in final form (the "Official Statement(s)") and to deliver to the successful bidders or underwriters for the Bonds printed copies of the Official Statement(s). Execution of the Official Statement(s) shall constitute conclusive evidence of such official's making any such completions, omissions, insertions and changes. The Town Manager and the Director of Finance of the Town, or either of them, is authorized to approve the distribution by the successful bidders or underwriters for the Bonds of the Official Statement(s) to each potential investor requesting a copy of the Official Statement(s) and to each person to whom the Bonds are initially sold.

14. Bond Counsel; Financial Advisor. The Council approves McGuireWoods LLP, Tysons, Virginia as bond counsel and Davenport & Company LLC, Richmond, Virginia as financial advisor to the Town in connection with the issuance of the Bonds.

15. Further Actions. The Town Manager and the Director of Finance and such officers and agents of the Town as either of them may designate are authorized and directed to take such further action as they deem necessary regarding the issuance and sale of the Bonds including the execution and delivery of such bond purchase agreement or agreements as may be required in connection with any negotiated sale of the Bonds and the execution and delivery of any such other documents, agreements and certificates as they may deem necessary or desirable and all actions taken by such officers and agents in connection with the issuance and sale of the Bonds are ratified and confirmed.

16. Reimbursement. The Council adopts this declaration of official intent under Treasury Regulations Section 1.150-2. The Council reasonably expects to reimburse advances made or to be made by the Town to pay the costs of the Project from the proceeds of its debt. The maximum

amount of debt expected to be issued for the Project is set forth in paragraph 4 above. The Town hereby authorizes the Director of Finance, on behalf of the Town, to specifically declare the Town's official intent to reimburse portions of the cost of the Project with Bond proceeds.

17. Defeasance. Bonds may be defeased pursuant to Section 15.2-2623 of the Code of Virginia of 1950, as amended, or any successor statute and shall be deemed no longer outstanding upon the establishment of an escrow or sinking fund for such Bonds meeting the requirements of, and the satisfaction of other conditions, if any, to defeasance set forth in such Section 15.2-2623 or successor statute.

18. Filing of Ordinance. The appropriate officers or agents of the Town are hereby authorized and directed to file or cause to be filed a certified copy of this Ordinance with the Circuit Court of the County of Fairfax, Virginia pursuant to Sections 15.2-2607 and 15.2-2627 of the Public Finance Act of 1991, Chapter 26, Title 15.2, 1950 Code of Virginia, as amended (the "Act").

19. Effective Date; Applicable Law. In accordance with Section 15.2-2601 of the Act, the Council elects to issue the Bonds pursuant to the provisions of the Act. This Ordinance shall take effect at the time of its enactment.

Accepted: _____

IN WITNESS WHEREOF, the foregoing was enacted by the Council of the Town of Vienna, Virginia on January 29, 2018.

Town Clerk, Town of Vienna, Virginia

Exhibit A

FORM OF BOND

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA**

**No. R- TOWN OF VIENNA, VIRGINIA
GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND,
SERIES 201[8][A/B/C]**

MATURITY DATE

INTEREST RATE

CUSIP

REGISTERED OWNER:**PRINCIPAL AMOUNT:**

TOWN OF VIENNA, VIRGINIA (the “Town”), for value received, acknowledges itself indebted and promises to pay to the registered owner of this Bond or legal representative, the principal amount stated above on the maturity date set forth above and to pay interest on the principal amount of this Bond at the rate specified above per annum, payable semiannually on _____ [1] and _____ [1], beginning on _____ [1], _____. This Bond shall bear interest (a) from _____, _____, if this Bond is authenticated before _____ [1], _____ or (b) otherwise from the _____ [1] or _____ [1] that is, or immediately precedes, the date on which this Bond is authenticated; provided that, if at the time of authentication of this Bond, interest on this Bond is in default, this Bond shall bear interest from the date to which interest has been paid. Both principal of and interest on this Bond are payable in lawful money of the United States of America. The principal of this Bond is payable upon presentation and surrender hereof at the office of _____, as Bond Registrar and Paying Agent (“Bond Registrar” or “Paying Agent”). Interest on this Bond is payable by check or draft mailed to the registered owner hereof at its address as it appears on the registration books maintained by the Bond Registrar without presentation of this Bond (or by wire if requested by any owner of at least \$1,000,000 in principal amount of the Bonds). All interest payments shall be made to the registered owner as it appears on the registration books kept by the Bond Registrar on the [fifteenth day of the month preceding each interest payment date] (the “Record Date”).

This Bond has been duly authorized by the Council of the Town (the “Council”) and is issued for the purpose of providing funds to pay the costs of various capital improvements for the Town. The full faith and credit of the Town are irrevocably pledged for the payment of the principal of and premium, if any, and interest on this Bond in accordance with its terms.

This Bond is one of a series of \$_____ General Obligation Public Improvement Bonds, Series 201[8][A/B/C] of the Town, (the “Bonds”) of like date and tenor, except as to number, denomination, rate of interest and maturity, issued under the authority of and in full compliance with the Constitution and statutes of the Commonwealth of Virginia, and, more particularly, issued pursuant to the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Code of Virginia of 1950, as amended and an ordinance adopted by the Council on October 30, 2017 (the “Ordinance”).

Bonds maturing on or before _____, _____ are not subject to redemption before maturity. Bonds at the time outstanding which are stated to mature on or after _____, _____ may be redeemed before their maturities on or after _____, _____, at the option of the Town in whole or in part (in installments of \$5,000) at any time or from time to time during the following redemption periods upon payment of the following redemption prices (expressed as a percentage of the principal amount to be redeemed) together with the interest accrued thereon to the date fixed for redemption:

<u>Redemption Period</u> <u>(both dates inclusive)</u>	<u>Redemption Price</u>
_____, _____ through _____, _____	_____%
_____, _____ through _____, _____	_____%
_____, _____ and thereafter	_____%

If less than all of the Bonds are called for redemption, the maturities of the Bonds to be redeemed shall be selected by the Director of Finance of the Town in such manner as such officer may deem to be in the best interests of the Town. If at any time less than all of the Bonds of any maturity are called for redemption, the particular Bonds of such maturity or portions thereof to be redeemed shall be selected by The Depository Trust Company or any successor securities depository, or, if the book-entry-only system is discontinued, by lot by the Bond Registrar in such manner as the Bond Registrar in its discretion may determine.

If any of the Bonds or portions thereof are called for redemption, the Bond Registrar shall send notice of the call for redemption identifying the Bonds by serial or CUSIP numbers, and in the case of partial redemption, identifying the principal amount to be redeemed, and identifying the redemption date and price and the place where Bonds are to be surrendered for payment, by facsimile transmission, electronic mail, registered or certified mail or overnight express delivery not less than 30 nor more than 60 days before the redemption date to the registered owner of each Bond to be redeemed at such owner’s address as it appears on the registration books maintained by the Bond Registrar, but failure to mail such notice shall not affect the validity of the proceedings for redemption. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Ordinance and shall not be deemed to be outstanding. If a portion of this Bond shall be called for redemption, a new Bond in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon the surrender of this Bond.

If at the time of mailing of any notice of optional redemption there has not been deposited with the Paying Agent for the Bonds moneys sufficient to redeem all of the Bonds called for redemption, the notice may state that it is conditional on the deposit of redemption moneys with the Paying Agent not later than the opening of business on the redemption date.

[Bonds maturing on _____, 20__ are required to be redeemed prior to maturity in part upon payments of 100% of the principal amount thereof plus interest accrued to the redemption date on _____ in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
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* Maturity]

The Bonds are issuable as fully registered bonds in denominations of \$5,000 and integral multiples thereof. Any Bond may be exchanged for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations at the principal office of the Bond Registrar.

This Bond may be transferred only by an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative in a form satisfactory to the Bond Registrar. Such transfer shall be made in the registration books kept by the Bond Registrar upon presentation and surrender hereof and the Town shall execute, and the Bond Registrar shall authenticate and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner hereof or such owner's attorney or legal representative. Any such exchange shall be at the expense of the Town, except that the Bond Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Town may designate a successor Bond Registrar and/or Paying Agent, provided that written notice specifying the name and location of the principal office of any such successor shall be given to the registered owner of the Bonds. Upon registration of transfer of this Bond, the Bond Registrar shall furnish written notice to the transferee of the name and location of the principal office of the Bond Registrar and/or the Paying Agent.

The Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the Record Date.

This Bond shall not be valid or obligatory for any purpose unless and until authenticated at the foot hereof by the Bond Registrar.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to the issuance of this Bond have happened, exist or have been performed in due time, form and manner as so required and that the indebtedness evidenced by this Bond is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the Council of the Town of Vienna, Virginia, has caused this Bond to be signed by [the facsimile signature of] its Mayor, [a facsimile of] its seal to be affixed and attested by [the facsimile signature of] its Town Clerk and this Bond to be dated _____, _____.

TOWN OF VIENNA, VIRGINIA

By: _____
Mayor, Town of Vienna, Virginia

[SEAL]

ATTEST:

Town Clerk, Town of Vienna, Virginia

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE OF ASSIGNEE)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE: _____

the within Bond and does hereby irrevocably constitute and appoint

_____, attorney, to transfer said Bond on the books kept for registration of said Bond, with full power of substitution in the premises.

Dated _____

Signature Guaranteed:

(NOTICE: Signature(s) must be guaranteed.)

Registered Owner
(NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the books kept for registration of this Bond in every particular, without alteration or change.)

**[TO BE INCLUDED IF BOTH MAYOR AND CITY CLERK
SIGNATURES ARE FACSIMILES]**

CERTIFICATE OF AUTHENTICATION

The undersigned Bond Registrar hereby certifies that this is one of a series of Bonds of the Town of Vienna, Virginia described in the within-mentioned Ordinance.

Authentication Date: _____

By: _____
Director of Finance, as Bond Registrar