

Danville-Pittsylvania Regional Industrial Facility Authority

**CITY OF DANVILLE, VIRGINIA
COUNTY OF PITTSYLVANIA, VIRGINIA**

AGENDA

MONDAY, MARCH 12, 2012

12:00 NOON

**DANVILLE REGIONAL AIRPORT
EASTERN CONFERENCE ROOM
424 AIRPORT DRIVE, DANVILLE, VIRGINIA**

COUNTY OF PITTSYLVANIA MEMBERS

**COY E. HARVILLE, CHAIRMAN
JAMES H. SNEAD
JESSIE L. BARKSDALE, ALTERNATE**

CITY OF DANVILLE MEMBERS

**SHERMAN M. SAUNDERS, VICE CHAIRMAN
T. DAVID LUTHER
FRED O. SHANKS, III, ALTERNATE**

STAFF

**JOSEPH C. KING, CITY MANAGER, DANVILLE
WILLIAM D. SLEEPER, PITTSYLVANIA COUNTY ADMINISTRATOR
CLEMENT & WHEATLEY, ATTORNEY FOR AUTHORITY
SUSAN M. DEMASI, AUTHORITY SECRETARY
BARBARA A. DAMERON, AUTHORITY TREASURER**

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT PERIOD

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments. (Please note that the public comment period is not a question-and-answer session between the public and the Authority.)

4. APPROVAL OF MINUTES FOR THE FEBRUARY 13, 2012 MEETING

5. OLD BUSINESS

A. Consideration of Resolution No. 2012-03-12-5A, confirming that certain administration staff of a member locality shall have the authority to certify, on behalf of the Authority, compliance with restrictive covenants covering projects and facilities of the Authority. [Resolution attached.]

6. NEW BUSINESS

A. Consideration of Resolution No. 2012-03-12-6A, revising Paragraph 1 of Article VIII ("Meetings") of the Amended and Restated Bylaws of the Authority adopted August 13, 2007, and last revised January 9, 2012, to provide that in the event that the date of any regular meeting determined by the Board is a date on which either the City's administrative offices or the County's administrative offices are closed for business, the regular meeting shall be held on the next date on which both the City's administrative offices and the County's administrative offices are open for business. [Resolution attached.]

B. Consideration of Resolution 2012-03-12-6B, approving a deed of correction for the conveyance from the Authority to United States Green Energy Corporation, a Nevada corporation ("USGE"), of that certain real estate located in Pittsylvania County, Virginia, in the Authority's Cane Creek Centre, known as New Lot 1, containing 59.118 Acres (GPIN 2347-39-1745), previously conveyed to USGE pursuant to that certain deed dated December 14, 2010, and recorded in the Clerk's Office of the Circuit Court of Pittsylvania County, Virginia, as Instrument No. 10-06880. [Resolution attached.]

C. Consideration of Resolution 2012-03-12-6C, approving the acceptance of a bid proposal from Tony Wilson for services for removal of those certain improvements and structures including (i) that certain residence structure known as the Lake Shore House, located in Pittsylvania County, Virginia, at the Authority's Cane Creek Centre (a portion of tax GPINS 2347-46-0892 and 2347-35-9903), and (ii) that certain residence structure commonly known as 1260 South Boston Road, located in Danville, Virginia, at the Authority's Cyber Park (a portion of tax pin 76441), at a total price of \$73,500. [Resolution attached]

- D. Wetland Bank Report – Gregory L. Sides, Assistant County Administrator, and Shawn Harden, Project Manager, Dewberry
- E. Financial Report as of February 29, 2012 – Barbara A. Dameron, CPA, Authority Treasurer

7. CLOSED SESSION

- A. As permitted by Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion of the disposition of an interest in publicly held real property located in Pittsylvania County, Virginia, at the Authority’s Cane Creek Centre, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.
- B. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business’ or industry’s interest in locating or expanding its facilities in the community, specifically a prospective business or industry considering the Authority’s Cane Creek Centre.
- C. Confirmation of Motion and Vote to Reconvene in Open Meeting.
- D. Motion to Certify Closed Meeting.

8. COMMUNICATIONS FROM:

Jessie L. Barksdale
Coy E. Harville
T. David Luther
Sherman M. Saunders
Fred O. Shanks, III
James H. Snead
Staff

9. ADJOURN

**AGENDA
ITEM NUMBER 4**

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

February 13, 2012

The Regular Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 12:20 p.m. on the above date in the Danville Regional Airport, Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Vice-Chairman Sherman M. Saunders and alternate Fred O. Shanks. T. David Luther was absent. Pittsylvania County Members present were Chairman Coy E. Harville, James Snead and Alternate Jessie L. Barksdale.

City/County staff members attending were: City Manager Joe King, Pittsylvania County Administrator Dan Sleeper, Danville Finance Director/Authority Treasurer Barbara Dameron, Pittsylvania County Finance Director Kim Van der Hyde, Pittsylvania County Director of Economic Development Ken Bowman, City of Danville Director of Economic Development Jeremy Stratton, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Marketing and Research Manager Corrie Teague, City of Danville Senior Accountant Patricia Conner, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi.

Chairman Harville called the Meeting to order.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF JANUARY 9, 2012 MINUTES

Upon **Motion** by Mr. Snead and **second** by Mr. Saunders, Minutes of the January 9, 2012 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

CONSIDERATION – RESOLUTION NO. 2012-02-13-5A – APPROVING REQUEST OF AUTHORITY TREASURER – THAT AUTHORITY APPROVE ALLOCATING A PERCENTAGE OF DANVILLE SENIOR ACCOUNTANT’S SALARY, FICA AND BENEFITS TO THE AUTHORITY

Mr. Saunders **moved** adoption of Resolution No. 2012-02-13-5A, approving a request of Barbara A. Dameron, CPA, Authority Treasurer, that the Authority approve allocating a percentage of the City of Danville Senior Accountant’s salary, FICA, and benefits to the Authority; and such allocation would be a non-cash transaction that would be allocated through the due to/due from accounts maintained each year.

The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 3-0
AYE: Harville, Snead, and Saunders (3)
NAY: None (0).

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

February 13, 2012

5B. CONSIDERATION – RESOLUTION NO. 2012-02-13-5B – APPROVING THE RESCHEDULING OF THE APRIL, OCTOBER AND NOVEMBER 2012 REGULAR MEETINGS OF THE AUTHORITY

Mr. Snead **moved** adoption of Resolution 2012-02-13-5B, approving the rescheduling of the April, October, and November 2012 regular meetings of the Authority to avoid conflicting with various holidays.

The **Motion** was seconded by Mr. Saunders and carried by the following vote:

VOTE: 3-0
AYE: Harville, Snead, and Saunders (3)
NAY: None (0).

Mr. Shanks entered the meeting at 12:27 p.m.

5C. CONSIDERATION - RESOLUTION NO. 2012-02-13-5C ACCEPTING A GRANT, CONSISTENT WITH THE APPLICATION SUBMITTED PURSUANT TO RESOLUTION 2011-11-21-5B FROM THE TOBACCO INDEMNIFICATION AND COMMUNITY REVITALIZATION COMMISSION.

Mr. Saunders **moved** adoption of Resolution No. 2012-02-13-5C, accepting a grant, consistent with the application submitted pursuant to Resolution 2011-11-21-5B, from the Tobacco Indemnification and Community Revitalization Commission in the amount of \$6,208,153 for site improvement work on Lot 4 at the Authority's Berry Hill Mega Park, in Pittsylvania County, Virginia, and authorizing the Chairman or Vice Chairman of the Authority to execute and deliver, on behalf of the Authority, the Letter of Agreement between the Authority and the Commission for such grant funds, and any other necessary documents pertaining thereto.

The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Shanks (4)
NAY: None (0).

5D. FINANCIAL REPORT AS OF JANUARY 31, 2012 – BARBARA DAMERON, CPA, AUTHORITY TREASURER

Barbara Dameron, Authority Treasurer gave a financial report as of January 31, 2012.

Ms. Dameron noted that for the month of January, the Authority disbursed \$116,000, the largest portion of that was \$96,000 to Haymes Bros., for the final payment on Lots 3 and 9 at Cane Creek. The Authority also realized rental income of \$20,472. Axxor is reimbursing RIFA for the utilities on the rental property at Cane Creek. Also in January, the Authority

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

February 13, 2012

received \$724,000 for the EDA grant for Lots 3 and 9. Ms. Dameron noted that the financial statements now reflect the bond issues for the Mega Park.

Ms. Dameron stated that the Authority needs to renew their insurance with VML and the payment for 2013 will be due in July. The VML did stipulate that the Authority needs to renew by February 29, 2012 in order to receive a credit; the credit last year was approximately \$300. The amount of the premium is not known at this time as VML does not give that information to the Authority until they actually submit the renewal. In 2011, the Authority paid \$6,000 and for 2012, the Authority paid \$5,700, that was with a \$294 credit. Ms. Dameron noted she does have a Resolution ready if the Board would like to consider approving that renewal at this meeting.

Mr. Harville noted that he had discussed this matter with the Treasurer and that the Authority can get insured with VML, which is through the City, or through the County with VACO. Ms. Dameron has researched this and the less expensive option is with VML.

Mr. Saunders **moved** adoption of Resolution 2012-02-13D (I) Approving Renewal of the Authority's Member Agreement in Order to Continue Participation with VML Insurance Programs that cover the Authority and its Property; and (II) Authorizing and/or Ratifying the Execution of all Necessary Documents Pertaining Thereto.

The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Shanks (4)
NAY: None (0).

Mr. Shanks **moved** adoption of the Financial Report as of January 31, 2012. The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Shanks (4)
NAY: None (0).

5E. PROCESS FOR APPROVAL OF BUILDING PLANS AND FOR CERTIFYING COMPLIANCE WITH RESTRICTIVE COVENANTS – CLEMENT & WHEATLEY, LEGAL COUNSEL

Mr. Harville noted that the next item - Resolution 2012-02-13E Confirming that Certain Administration Staff of a Member Locality Shall have the Authority to Certify, on Behalf of the Danville-Pittsylvania Regional Industrial Facility Authority, Compliance with Restrictive Covenants covering projects and Facilities of the Authority – would be discussed by Michael Guanzon, Attorney for the Authority.

Mr. Guanzon gave a brief explanation of the purpose of this Resolution and after discussion by County Staff members, Mr. Harville asked for a Motion to table this Resolution in order

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

February 13, 2012

to give the County and City Staff time to discuss this matter further with the Authority Attorney.

Mr. Snead moved to **TABLE** this matter. Mr. Saunders **seconded** the Motion and it was carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Shanks (4)
NAY: None (0).

6A. CLOSED SESSION

At 12:40 p.m. Mr. Harville requested a Motion to go into Closed Meeting as permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community, specifically a prospective business or industry considering the Authority's Cane Creek Centre.

Authority Attorney Michael Guanzon noted that the Board no longer needed 6B for the closed meeting, only "A". "B" did not need to be discussed.

Mr. Snead **made** a Motion to go into Closed Meeting. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Shanks (4)
NAY: None (0).

Mr. Harville noted that upon Motion by Mr. Saunders and second by Mr. Snead, by unanimous vote at 1:30 p.m., the Authority returned to open meeting.

Mr. Shanks **moved** adoption of the following Resolution:

WHEREAS, the Authority convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

February 13, 2012

in the Motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Shanks (4)
NAY: None (0).

COMMUNICATIONS

Mr. Sleeper reported on a County RFP item which is ongoing.

Mr. Snead moved to adjourn, the Motion was seconded by Mr. Saunders and carried unanimously.

MEETING ADJOURNED AT 1:03 P.M.

Chairman

Secretary to the Authority

**AGENDA
ITEM NUMBER 5A**

Resolution No. 2012-03-12-5A

A RESOLUTION CONFIRMING THAT CERTAIN ADMINISTRATION STAFF OF A MEMBER LOCALITY SHALL HAVE THE AUTHORITY TO CERTIFY, ON BEHALF OF THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, COMPLIANCE WITH RESTRICTIVE COVENANTS COVERING PROJECTS AND FACILITIES OF THE AUTHORITY.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority, from time to time, is requested to certify compliance with restrictive covenants covering certain of the Authority's projects and facilities; and

WHEREAS, each of the City of Danville, Virginia (the "**City**"), through its Director of Planning (the "**City DOP**"), and the County of Pittsylvania, Virginia (the "**County**"), through its Director of Planning (the "**County DOP**"), manages zoning compliance issues for real property located within their respective jurisdictions; and

WHEREAS, the Authority has determined that to increase efficiency in the operation and management of its projects and facilities and in the best interests of the citizens of the City and the County, (i) the City through the City DOP, and (ii) the County through the County DOP, as services contributed by each of them as member localities, should be authorized to act on the Authority's behalf with respect to certifying compliance with restrictive covenants covering the Authority's projects and facilities.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority does hereby approve, direct, and authorize that with respect to its projects and facilities located in the City, the City, as a member locality of the Authority, acting through the City DOP, shall be authorized to certify, on behalf of the Authority, compliance with restrictive covenants covering those projects and facilities.

2. The Authority does hereby approve, direct, and authorize that with respect to its projects and facilities located in the County, the County, as a member locality of the Authority, acting through the County DOP, shall be authorized to certify, on behalf of the Authority, compliance with restrictive covenants covering those projects and facilities.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, the City, the City DOP, the County, and the County DOP with respect to certifying compliance with restrictive covenants covering the Authority's projects and facilities.

4. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on March 12, 2012, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this ____ day of March 2012.

(SEAL)

Susan M. DeMasi
Secretary, Danville-Pittsylvania Regional Industrial
Facility Authority

**AGENDA
ITEM NUMBER 6A**

Resolution No. 2012-03-12-6A

A RESOLUTION REVISING PARAGRAPH 1 OF ARTICLE VIII ("MEETINGS") OF THE AMENDED AND RESTATED BYLAWS OF THE AUTHORITY ADOPTED AUGUST 13, 2007, AND LAST REVISED JANUARY 9, 2012, TO PROVIDE THAT IN THE EVENT THAT THE DATE OF ANY REGULAR MEETING DETERMINED BY THE BOARD IS A DATE ON WHICH EITHER THE CITY'S ADMINISTRATIVE OFFICES OR THE COUNTY'S ADMINISTRATIVE OFFICES ARE CLOSED FOR BUSINESS, THE REGULAR MEETING SHALL BE HELD ON THE NEXT DATE ON WHICH BOTH THE CITY'S ADMINISTRATIVE OFFICES AND THE COUNTY'S ADMINISTRATIVE OFFICES ARE OPEN FOR BUSINESS.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, Paragraph 1 of Article XIII ("Meetings") of the Authority's Amended and Restated Bylaws of the Authority Adopted August 13, 2007, and last revised January 9, 2012 (the "**Bylaws**") authorizes the Board of Directors of the Authority (the "**Board**") to determine the time and place of the regular meetings of the Authority; and

WHEREAS, the Board believes it is in the best interests of the Authority and for efficient operation of the Authority to amend Paragraph 1 of Amended Article XIII of the Bylaws to provide that in the event that the date of any regular meeting determined by the Board is a date on which either the administrative offices of the City of Danville, Virginia (the "**City**") or the administrative offices of the County of Pittsylvania, Virginia (the "**County**") are closed for business, the regular meeting shall be held on the next date on which both the City's administrative offices and the County's administrative offices are open for business.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the amendments to the Bylaws as set forth in **Schedule 1**, attached hereto and incorporated herein by this reference.
2. Except as amended by this Resolution, the Bylaws shall remain unchanged.
3. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on March 12, 2012, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this _____ day of March 2012.

Susan M. DeMasi
Secretary, Danville-Pittsylvania Regional Industrial
Facility Authority

(SEAL)

Schedule 1

AMENDED AND RESTATED BYLAWS
OF
DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Adopted August 13, 2007
Revised June 14, 2010
Revised August 9, 2010
Revised February 14, 2011
Revised April 11, 2011
~~Last Revised January 9, 2012~~
Last Revised March 12, 2012

ARTICLE I. PURPOSES AND POWERS

Danville-Pittsylvania Regional Industrial Facility Authority (the "Authority") shall be organized and operated in accordance with Title 15.2, Chapter 64 of the Code of Virginia, 1950, as amended, also known as the Virginia Regional Industrial Facilities Act (the "Act"), as the same may be amended from time to time. The Authority shall also comply with all lawful directives as may be mutually agreed to between the City of Danville, Virginia (the "City"), and the County of Pittsylvania, Virginia (the "County"). The general purpose of the Authority shall be to enhance the economic base of the City and the County by developing, owning, and operating one or more facilities on a cooperative basis involving such localities (each locality being hereinafter referred to as a "Member Locality" or collectively hereinafter referred to as "Member Localities"), including without limitation the specific purpose to develop The Cyber Park of Danville and Pittsylvania County (as defined in the Agreement (as hereinafter defined)) and to develop one or more parcels in both the City and the County as regional industrial parks and for additional purpose of future development of other industrial properties or other reasons as permitted by the Act and as agreed upon by the Member Localities. The Authority shall have any and all powers under the Act, as the same may be amended from time to time.

ARTICLE II. OFFICES

1. The principal office of the Authority shall be located within a Member Locality as designated by the Board of Directors of the Authority (the "Board").

2. The title to all property of every kind belonging to the Authority shall be titled in the name of the Authority,

which shall hold such title for the benefit of its Member Localities.

3. Except as otherwise required by resolution of the Authority, or as the business of the Authority may require, all of the books and records of the Authority shall be kept at the office to be designated as provided above.

4. The minutes of the Authority shall be open and available for inspection as required by The Virginia Freedom of Information Act, Virginia Code ● 2.2-3700 *et seq.*, as amended. Draft minutes shall be made reasonably available within ten (10) business days of the meeting to which they relate. Final minutes shall be made reasonably available within three (3) business days of approval by the Board.^[1]

ARTICLE III. MEMBERSHIP

The Member Localities of the Authority are the City and the County, each of which is a political subdivision of the Commonwealth of Virginia, and each of which is authorized by the Act to participate in the Authority. The membership may, with unanimous approval of the Board, be expanded as may be authorized in the Act.

ARTICLE IV. MEMBER LOCALITY AGREEMENT

1. The Authority shall be governed by the Act, these Bylaws and by the Agreement For Cost Sharing and Revenue Sharing between the City of Danville, Virginia, and Pittsylvania County, Virginia, dated October 2, 2001, executed by the Governing Body of each Member Locality (the "Agreement"). The Agreement establishes the respective rights and obligations of the Member Localities and provides for revenue and economic growth-sharing arrangements with respect to tax revenues and other income and revenues generated by any facility owned by the Authority.

2. Without limiting the provisions of the Agreement, each Member Locality, through its city manager, county administrator or respective designee, is authorized to incur, on behalf of the Authority, up to an aggregate amount of Ten Thousand Dollars (\$10,000.00) in reasonable expenses, related to, or arising out of, (i) developing or testing the Authority's projects for a particular business prospect or (ii) marketing to a particular business prospect. Prior to incurring any such expense under this paragraph, the Member Locality shall consult with the other Member Locality on such business prospect. Such expenses shall

¹06/14/2010: Entire paragraph revised.

be reported to the Board at its next regular meeting for consideration and ratification.^[2]

ARTICLE V. BOARD OF DIRECTORS

1. The powers, rights, and duties conferred by the Act upon the Authority shall be exercised by the Board, which shall consist of four (4) members selected as follows: two (2) members shall be appointed by the Governing Body of each Member Locality. In addition to the members of the Board, each Governing Body of each Member Locality shall select one (1) alternate director, to serve in the absence of a director appointed by the Governing Body of such Member Locality, in accordance with the provisions of these Bylaws.

2. Each Member Locality shall appoint to the Board one (1) member from its Governing Body to serve an initial two (2) year term and one (1) member from its Governing Body to serve an initial four (4) year term pursuant to the Act. Each Member Locality shall also appoint one (1) member from its Governing Body to serve an initial four (4) year term as an alternate director. Each appointee of a Governing Body shall be a resident of the Member Locality of that Governing Body. All subsequent terms shall be four (4) year terms, and no director or alternative director may serve more than one (1) additional term.

3. In order to remain a director or alternate director of the Authority, such director or alternate director must be a current member of the Governing Body. Once a director or alternate director of the Authority is no longer a member of the Governing Body, the locality will appoint a new director or alternate director, as the case may be, from its Governing Body to fill the unexpired term of the vacating director or alternate director as the case may be. In the event of a vacating director, the alternate director from the same Member Locality shall serve until a replacement director is appointed by the Governing Body of such Member Locality, which shall have the authority to fill any such vacancies.

4. Each director or alternate director of the Board, before entering upon the discharge of the duties of the office, shall take and subscribe to the oath prescribed in Virginia Code • 49-1, as amended, and shall serve in compliance with the Act, these Bylaws and the Agreement.

²04/11/2011: New paragraph added to clarify how expenses may be incurred on behalf of the Authority for developing business prospects. Such expenses would be ultimately shared by the Member Localities under the Agreement for Cost Sharing and Revenue Sharing.

5. In the absence of a director appointed by the Governing Body of a Member Locality, the alternate director of the same Member Locality may act in place of such absent director. The alternate director from one Member Locality shall not have the right to vote unless at least one (1) director from the same Member Locality is absent.

6. All powers and duties of the Authority shall be exercised and performed by the Board, acting by simple majority vote of those directors present at a meeting at which a quorum is present, except that no facilities owned by the Authority shall be leased or disposed of in any manner without a majority vote of the Board. A quorum shall consist of three (3) directors (including any alternate director entitled to vote at such meeting) of the Board. For the purposes of determining quorum, an alternate director from one Member Locality shall not be counted unless a director of the same Member Locality is absent. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Board.

7. Members of the Board shall be reimbursed for actual and reasonable expenses incurred the performance of their duties from funds available to the Authority.

ARTICLE VI. OFFICERS

1. The Board shall elect from its directors a Chairman and a Vice Chairman^[3]. The director elected to the office of chairman shall alternate each term of office from one Member Locality to another Member Locality, beginning with the County.

2. The term of office for the officers shall be for the fiscal year in which they are elected, and shall continue until their successors are elected.

3. The duties of the Chairman shall be to preside at meetings of the Authority; to prepare the agenda for any and all meetings, and to make a copy of such agenda available to the Secretary for the purpose of providing notice of special meetings as hereinafter provided; to call special meetings; to call special elections; to appoint committees as may be deemed appropriate to carry out the intents and purposes of the Authority; to be ex officio a member of all committees; to sign, with the Secretary or any other proper officer of the Authority authorized by the Board, any documents or instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer of the

³08/09/2010: Vice Chairman inserted. Offices of secretary and treasurer shall be appointed by the Board from the Authority's staff.

Authority, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of chairman and such other duties as may be prescribed by the Board from time to time. The Chairman shall have an equal vote with the other directors, and shall not have a second, tie-breaking vote on any question.

4. The Vice Chairman shall, in the absence or disability of the Chairman, perform the duties imposed upon the Chairman and exercise the powers granted to the Chairman, including without limitation those duties and powers set forth in these Bylaws.^[4]

5. The Board shall appoint a Secretary and a Treasurer from the Authority's staff, which may include staff provided by a Member Locality or other persons employed or contracted by the Authority.^[5] The offices of Secretary and Treasurer may be held by the same person.^[6,7] If a person serving as Secretary or Treasurer ceases to be staff of a Member Locality, such person shall not be disqualified from serving as Secretary or Treasurer and shall continue to serve the remainder of the term of office unless such person is sooner removed or resigns from such office.^[8]

a. The duties of the Secretary shall be to take the minutes of the meetings of the Board; to have custody of all records of the Authority; to have custody of the Seal of the Authority and to ensure that the Seal of the Authority is affixed to all documents or instruments, the execution of which on behalf of the Authority under its Seal is duly authorized by the Board; to sign with the Chairman (or the Vice Chairman, as the case may be)^[9] any documents or instruments which the Board has authorized to be executed; to ensure that all notices are duly given as required by law, these Bylaws or by the Board; to call meetings of the Board to order in the absence of the Chairman and the Vice Chairman,^[10] and thereupon to conduct an election for a temporary presiding officer for that meeting; and in general to perform all duties incident to the office of secretary and such other duties as from time to time may be

⁴08/09/2010: Entire new paragraph added.

⁵02/14/2011: The Authority's staff may include staff provided by a Member Locality or other persons employed or contracted by the Authority.

⁶08/09/2010: Secretary and Treasurer shall be appointed by the Board from the Authority's staff.

⁷02/14/2011: Corrected capitalization of Secretary and Treasurer.

⁸02/14/2011: Added "If a person serving as Secretary or Treasurer ceases to be staff of a Member Locality, such person shall not be disqualified from serving as Secretary or Treasurer and shall continue to serve the remainder of the term of office unless such person is sooner removed or resigns from such office."

⁹08/09/2010: Reference to Vice Chairman added.

¹⁰08/09/2010: Reference to Vice Chairman added.

assigned by the Board. In the absence of the Secretary, the Chairman shall appoint a director or alternate director or shall direct a member of the Authority's staff to be^[11] responsible for the preparation of detailed minutes of any meeting.

b. The duties and authority of the Treasurer shall include: (a) the duty to keep suitable records of all financial transactions of the Authority; (b) the authority to arrange for the preparation of any audits of the financial records of the Authority, as may be directed by the Board; (c) the duty and authority to have charge and custody of all funds and arrange for their investment and deposit in the name of the Authority when authorized by the Board; (d) the duty and the authority, in the absence of the Secretary, to perform all duties of the Secretary, except for those certain other duties which the Chairman, under the Bylaws, delegates to a director, alternate director, officer or staff member in the Secretary's absence^[12]; and (e) in general, the duty and the authority^[13] to perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the Board. The Treasurer shall give bond in such sum as may be fixed by the Board with surety to be approved by the Board. The cost of such surety shall be paid by the Authority.

ARTICLE VII. ELECTIONS OF OFFICERS

1. Regular elections of officers shall be held at the regular meeting of the Board in July of each fiscal year.

2. Special elections of officers in order to fill vacancies or to fill newly created offices shall be held (i) at a regular meeting duly called or (ii) at a special meeting designated by the Chairman, but only after notice of such special meeting, as hereinafter provided, has been given.^[14]

ARTICLE VIII. MEETINGS

1. The Board shall determine the times and places of its regular meetings, but shall meet at least, for its annual meeting, as set forth in Paragraph 2 below. Regular meetings of the Board shall be held in the City or in the County, upon call of the Chairman or as otherwise provided in these Bylaws. At a regular meeting, any business may be brought before the Board, whether or not that business is set forth in the notice of

¹¹08/09/2010: Reference to the Authority's staff added.

¹²01/09/2012: Added that in the absence of the Secretary, the Treasurer shall perform all duties of the Secretary, except for those certain other duties which the Chairman, under the Bylaws, delegates to a director, alternate director, officer or staff member in the Secretary's absence (e.g., duties set forth in paragraph 5(a) of Article VI).

¹³01/09/2012: Added "the duty and the authority" for parallel sentence structure.

¹⁴02/14/2011: Requests for special meetings shall be in writing.

regular meeting. In the event that the date of any regular meeting determined by the Board is a date on which either the City's administrative offices or the County's administrative offices are closed for business, the regular meeting shall be held on the next date on which both the City's administrative offices and the County's administrative offices are open for business.^[15]

2. The annual meeting of the Board shall take place at the regular meeting of the Board in July of each year, at such place, time, and date as may be established by the Board or the Chairman. Each Member Locality shall make their appointments prior to such annual meeting so that the membership of the Board will be complete for such annual meeting. At the annual meeting, the Board shall elect its officers to serve for the then current fiscal year.

3. Special meetings of the Board may be called by the Chairman at the request of (a) any two (2) directors; (b) two (2) alternate directors; or (c) one (1) director and one (1) alternate director, so long as those two (2) persons requesting the special meeting represent both Member Localities.^[16] Such request shall be in writing, which may be by email to the Chairman at the email address of record,^[17] and shall specify the time and place of the special meeting and the matters to be considered at the special meeting. No matter not specified in the notice of special meeting shall be considered at such special meeting unless all directors (or an alternate director acting in lieu of an absent director) of the Board are present.

4. Notices of both regular and special meetings shall be mailed by the Secretary to each member of the Board not less than three (3) business days before any such meeting; and notices of special meetings shall state the purposes thereof. All notices required herein shall state the date, time, and location of the meeting and shall be delivered by hand, United States mail, or a private courier service which provides evidence of receipt as part of its service to the address of record of all directors and alternate directors. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate. Any notice required herein may be waived in writing by the party entitled to such notice, and such waiver may specify that notice may be given to such party electronically (including without limitation

¹⁵ 03/12/2012: Entire new sentence added.

¹⁶ 08/09/2010: Clarification that directors or alternate directors representing two Member Localities may request a special meeting.

¹⁷ 02/14/2011: Clarification that the request must be in writing, which may include an email to the Chairman at the email address of record. See Va. Code § 1-257.

by email or access to a website) in lieu of other means of delivery.

At the time that any such notice is given to the directors and alternate directors, a copy of such notice shall be posted (i) in a prominent location at which notices are regularly posted, and (ii) at the office of the clerk of the Authority, currently at 427 Patton Street, Room 428, Danville, Virginia. A copy of any agenda materials or other information included with the notice to the directors and alternate directors (other than materials exempt from disclosure under The Virginia Freedom of Information Act, Virginia Code ● 2.2-3700, *et seq.*, as amended) shall be posted or made available with the copy of such notice. Notice may also be posted electronically on the Authority's website or otherwise, but such posting shall not be required.

At least one (1) copy of the agenda materials or other information given at the meeting to the directors and alternate directors (other than materials exempt from disclosure under The Virginia Freedom of Information Act, Virginia Code ● 2.2-3700, *et seq.*, as amended) shall be made open and available for inspection at the meeting.

Attendance of a director or alternate director at a meeting shall constitute a waiver of notice of such meeting, except where a director or alternate director attends for the express purpose of objecting to the sufficiency of the notice given or to the lack of notice.^[18]

5. Formal action shall be taken by the Board only at open sessions and such meetings shall be open to the public.

6. The vote on the adoption of every resolution, any proposals creating a liability, or for the appropriation or expenditure of funds shall be by yeas or nays, and whenever the vote is not unanimous, the names of the directors (or alternate directors, where permitted under these Bylaws) voting for and of those voting against such action shall be entered upon the minutes.

7. Unless otherwise provided, procedure at meetings shall follow Robert's Rules of Order as then revised.

8. When approved, all minutes shall be signed by the Secretary and the presiding officer of the particular meeting.

9. All actions of the Board requiring the approval of an expenditure will be accompanied by a budget reference and/or funding source.

¹⁸06/14/2010: Entire paragraph revised.

10. No item will be added to the agenda of a Board meeting without the unanimous consent of the Board members present.

ARTICLE IX. REQUIRED REPORTS

1. Annual Reports. The Board shall report to the Governing Body of each Member Locality annually, on or before the last March meeting of the Governing Body, on the activities of the Authority. In addition to oral presentation at the meeting, a written annual report shall be provided prior to the meeting and shall contain, at a minimum, the following information:

- a. A financial update through December 31 of the current fiscal year;
- b. After completion of the first fiscal year, an audited financial report showing expenditures and revenues and a statement showing financial condition at the end of the preceding fiscal year;
- c. A written report, approved by the Board, of the activities and accomplishments of the Authority and recommendations regarding future activities of the Authority; and
- d. A list of tenants, purchasers or other persons occupying The Cyber Park of Danville and Pittsylvania County or any other regional industrial facilities developed by the Authority.

2. Special Reports. Upon written request of the Governing Body of any Member Locality, the Board shall report to such Governing Body within thirty (30) days of receipt of such request or within a longer period if so provided in such request. The special report shall describe the activities and financial status of the Authority within the six (6) month period immediately preceding the request, or as otherwise specified in the request and shall be furnished to each Member Locality. A written report shall be provided if requested.

ARTICLE X. FUNDING

Funding of the Authority shall be by appropriation as decided from time to time by the Governing Bodies of the Member Localities and from such other sources as are identified in the Agreement.

ARTICLE XI. STAFF

The Board may hire such employees as are necessary to accomplish the purposes and powers of the Authority.

ARTICLE XII. OFFICIAL SEAL

The Seal of the Authority shall show the name of the Authority, the name of the Commonwealth, and the year of its formation; i.e., "DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY - VIRGINIA - 2001."

ARTICLE XIII. FISCAL YEAR

The fiscal year of the Authority shall be from July 1 until June 30 of the following year.

ARTICLE XIV. AMENDMENTS

Except as otherwise provided by law, these Bylaws may be amended, repealed, or altered, in whole or in part, by a majority vote of the Board, at any regular meeting of the Board, or at any special meeting where such action has been announced in the call and notice of such meeting; however, instead of the time frame described in paragraph 3 of Article VIII above, at least one (1) week advance written notice of such proposed amendment, repeal or alteration shall be given the directors and alternate directors.

The undersigned hereby certify that the foregoing are the Amended and Restated Bylaws adopted by the Board of Directors at its monthly meeting held August 13, 2007, revised at its monthly meetings held June 14, 2010, August 9, 2010, February 14, 2011, and April 11, 2011, and last revised at its monthly meeting held January 9, 2012.^[19]

Secretary

** The bracketed footnotes and annotations do not constitute a part of these Bylaws and are provided for convenience only.^[20]*

¹⁹06/14/2010, 08/09/2010, 02/14/2011, 04/11/2011, 01/09/2012: Updated references to monthly meetings.

²⁰02/14/2011: Footnotes and annotations do not constitute a part of the Bylaws and are for convenience only.

**AGENDA
ITEM NUMBER 6B**

A RESOLUTION TO APPROVE A DEED OF CORRECTION FOR THE CONVEYANCE FROM THE AUTHORITY TO UNITED STATES GREEN ENERGY CORPORATION, A NEVADA CORPORATION ("USGE") OF THAT CERTAIN REAL ESTATE LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, IN THE AUTHORITY'S CANE CREEK CENTRE, KNOWN AS NEW LOT 1, CONTAINING 59.118 ACRES (GPIN 2347-39-1745), PREVIOUSLY CONVEYED TO USGE PURSUANT TO THAT CERTAIN DEED DATED DECEMBER 14, 2010, AND RECORDED IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF PITTSYLVANIA COUNTY, VIRGINIA, AS INSTRUMENT NO. 10-06880.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority previously conveyed to and United States Green Energy Corporation, a Nevada corporation ("**USGE**"), that certain real estate located in Pittsylvania County, Virginia (the "**County**"), in the Authority's Cane Creek Centre, known as New Lot 1, containing 59.118 Acres (GPIN 2347-39-1745) (the "**Property**"), by that certain deed dated December 14, 2010, and recorded in the Clerk's Office of the Circuit Court of the County as Instrument No. 10-06880 (the "**Deed**"); and

WHEREAS, the Deed was granted pursuant to that certain Performance Grant Agreement, dated on or about December 14, 2010, between the Authority and USGE (the "**Agreement**"), by which USGE agreed to construct (or cause the construction of) a 28,000 square foot or larger building (the "**Facility**"), and by which the Property was to revert back to the Authority in the event that the Facility was not constructed within eighteen (18) months of the date of the Deed; and

WHEREAS, the Deed provided that USGE agreed to construct (or cause the construction of) a 40,000 square foot or larger building, rather than a 28,000 square foot or larger building as specified in the Agreement, within such eighteen (18) month period; and

WHEREAS, the Authority and the USGE desire to correct such error in the Deed by and through that certain Deed of Correction, in the form attached hereto and incorporated herein as **Schedule A** (the "**Deed of Correction**"), and the Authority has determined that the execution and delivery of the Deed of Correction are in the best interests of the Authority and the citizens of the County and the City of Danville, Virginia.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Deed of Correction, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Deed of Correction on behalf of the Authority, such execution of the Deed of Correction by the Chairman or Vice Chairman, as the case may be, to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes the Chairman or the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver such other documents in connection with the Deed of Correction, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of such other documents.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Deed of Correction or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Deed of Correction and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on March 12, 2012, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this ____ day of March 2012.

(SEAL)

Susan M. DeMasi
Secretary, Danville-Pittsylvania Regional Industrial
Facility Authority

Schedule A

[Deed of Correction]

This deed is exempt from recordation taxes
pursuant to § 58.1-810 of the
Code of Virginia, as amended.

THIS INSTRUMENT WAS PREPARED BY AND
AFTER RECORDING SHOULD BE RETURNED TO:
Clement & Wheatley, A Professional Corporation
549 Main Street (24541), P.O. Box 8200
Danville, VA 24543-8200

GPIN 2347-39-1745

Grantee's Address:
8110 River Stone Drive
Fredericksburg, VA 22407

THIS DEED OF CORRECTION, made this _____ day of March 2012,
by and between DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY
AUTHORITY, a political subdivision of the Commonwealth of
Virginia ("Grantor"); and UNITED STATES GREEN ENERGY CORPORATION,
a Nevada corporation authorized to transact business in Virginia
("Grantee"):

W I T N E S S E T H:

WHEREAS, by deed dated December 14, 2010, and recorded in
the Clerk's Office of the Circuit Court of Pittsylvania County,
Virginia (the "Clerk's Office"), as Instrument No. 10-06880, at
page 5, Grantor conveyed to Grantee, all of that certain lot or
parcel of land, together with improvements thereon and
appurtenances thereunto belonging, situate in the County of

Pittsylvania, Virginia, commonly known as "New Lot 1, 59.118 Acres", as more fully described therein;

WHEREAS, the conveyance of was subject to the following provisions (the "Reverter Clause"):

"(A) Upon the date of this Deed, Grantee agrees that Grantee shall construct (or cause the construction of) a 40,000 square feet or larger building (the 'Facility') on the Property and commence operations in the Facility within eighteen (18) months after the date of this Deed, as evidenced by the last to occur of the following: (1) the issuance of a permanent certificate of occupancy for the Facility; (2) the Facility being opened for business; or (3) the payment of wages to Grantee's new employees hired after the date of this Deed for work rendered at the Facility.

(B) If Grantee fails to construct (or cause the construction of) the Facility and commence operations in the Facility within such eighteen (18) month period as set forth in paragraph (A) above, Grantee shall forfeit any and all rights or any and all ownership interests in the Property by way of automatic reversion of title of the Property to Grantor, free and clear of all liens and encumbrances created after the conveyance of the Property by Grantor to Grantee."

WHEREAS, the Reverter Clause was inserted pursuant to that certain Performance Grant Agreement, dated on or about December 14, 2010, between the parties hereto, but under such agreement, Grantee agreed to construct (or cause the construction of) a 28,000 square foot or larger building, not a 40,000 square foot or larger building; and

WHEREAS, the parties hereto now desire to correct this error in said deed;

NOW, THEREFORE, THAT, for and in consideration of the premises and the sum of TEN DOLLARS (\$10.00), cash in hand paid, the receipt of which is hereby acknowledged, Grantor does hereby grant, bargain, sell, and convey, with Special Warranty of Title, unto Grantee, all of that certain lot or parcel of land, together with improvements thereon and appurtenances thereunto belonging, situate in the County of Pittsylvania, Virginia, and more particularly described as follows:

NEW LOT 1: Designated as "New Lot 1, 59.118 Acres" located at the intersection of State Road 733 (Barker Road) and State Road 1299 (Cane Creek Parkway), as shown on a plat entitled "Pittsylvania County Virginia, Situated in Dan River Magisterial District, Being Part GPIN: 2347-38-9745, Plat of Survey Showing "Cane Creek Centre", New Lot 1, For: Danville-Pittsylvania Regional Industrial Facility Authority", dated November 15, 2010, prepared by Crane Surveying PLLC, recorded in the Clerk's Office as Instrument No. 10-16491, in Map Book 44, at page 121J; AND BEING, in fact, a part of the same property conveyed to Danville-Pittsylvania Regional Industrial Facility Authority, a political subdivision of the Commonwealth of Virginia, from Calvin W. Fowler and others, by deed dated January 28, 2003, recorded in the Clerk's Office as Instrument No. 03-01867, in Deed Book 1352, at page 746, to which map and deed specific reference is here made for a more particular description of the property herein conveyed (the Property)". Reference is here made to that certain deed dated December 14, 2010, and recorded in the Clerk's Office as Instrument No. 10-06880, at page 5.

This conveyance is made subject to all easements, conditions, restrictions and agreements of record affecting the real estate hereby conveyed or any part thereof. This conveyance is further made specifically subject to that certain Cane Creek Centre Declaration of Protective Covenants dated July 12, 2005, by the Danville-Pittsylvania Regional Industrial Facility Authority, a political subdivision of the Commonwealth of Virginia, recorded in the Clerk's Office in Deed Book 1505, at page 237.

This conveyance is further made subject to the following provisions:

(A) Upon the date of this Deed, Grantee agrees that Grantee shall construct (or cause the construction of) a 28,000 square feet or larger building (the "Facility") on the Property and commence operations in the Facility on or before June 14, 2012, as evidenced by the last to occur of the following: (1) the issuance of a permanent certificate of occupancy for the Facility; (2) the Facility being opened for business; or (3) the payment of wages to Grantee's new employees hired after the date of this Deed for work rendered at the Facility.

(B) If Grantee fails to construct (or cause the construction of) the Facility and commence operations in the Facility on or before June 14, 2012, as set forth in paragraph (A) above, Grantee shall forfeit any and all rights or any and all ownership interests in the Property by way of automatic reversion of title of the Property to Grantor, free and clear of all liens and encumbrances created after the conveyance of the Property by Grantor to Grantee.

[SIGNATURES ON FOLLOWING PAGES]

WITNESS the following signature and seal to this DEED OF
CORRECTION:

DANVILLE-PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY, a
political subdivision of the
Commonwealth of Virginia

By: _____
Coy E. Harville, Chairman

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me in my
jurisdiction aforesaid on this _____ day of March 2012, by Coy
E. Harville, in his capacity as Chairman of DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision
of the Commonwealth of Virginia, as Grantor.

My commission expires: _____.

Notary Public

Registration No. _____

WITNESS the following signature and seal to this DEED OF
CORRECTION:

UNITED STATES GREEN ENERGY
CORPORATION, a Nevada corporation
authorized to transact business in
Virginia

By: _____
Title: _____

State OF _____, AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me in my
jurisdiction aforesaid on this _____ day of March 2012, by
_____, in his capacity as
_____ of UNITED STATES GREEN ENERGY CORPORATION,
a Nevada corporation authorized to transact business in Virginia,
as Grantor.

My commission expires: _____.

Notary Public

(If in Va. :) Registration No. _____

**AGENDA
ITEM NUMBER 6C**

Resolution No. 2012-03-12-6C

A RESOLUTION TO APPROVE THE ACCEPTANCE OF A BID PROPOSAL FROM TONY WILSON FOR SERVICES FOR REMOVAL OF THOSE CERTAIN IMPROVEMENTS AND STRUCTURES INCLUDING (I) THAT CERTAIN RESIDENCE STRUCTURE KNOWN AS THE LAKE SHORE HOUSE, LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, AT THE CANE CREEK CENTRE PROJECT (A PORTION OF TAX GPINs 2347-46-0892 AND 2347-35-9903), AND (II) THAT CERTAIN RESIDENCE STRUCTURE COMMONLY KNOWN AS 1260 SOUTH BOSTON ROAD, LOCATED IN DANVILLE, VIRGINIA, AT THE CYBER PARK PROJECT (A PORTION OF TAX PIN 76441), AT A TOTAL PRICE OF \$73,500.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, in connection with the development of industrial facilities of the Authority, the Authority desires to remove those certain improvements and structures located on certain real property owned by the Authority, including (i) that certain residence known as the Lake Shore House, located in Pittsylvania County, Virginia, at the Cane Creek project (a portion of GPINs 2347-46-0892 and 2347-35-9903), and (ii) that certain residence known as 1260 South Boston Road, located in Danville, Virginia, at the Cyber Park project (a portion of PIN 76441) (collectively, the “**Improvements**”); and

WHEREAS, the Authority issued a request for proposals for services for the removal of the Improvements, and Tony Wilson issued a bid proposal, pursuant to such request for proposals, in the amount of \$73,500, which proposal is attached hereto as Exhibit A and incorporated herein by this reference (the “**Proposal**”); and

WHEREAS, the Proposal was the low bid pursuant to the request for proposals, and the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County, Virginia, and the City of Danville, Virginia, for the Authority to accept the Proposal.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority does hereby approve the acceptance of the Proposal, and hereby authorizes the Chairman or the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver any such documents in connection with the acceptance of the Proposal, with such amendments, deletions or additions thereto, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of such documents and any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Proposal or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Proposal and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on March 12, 2012 and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this _____ day of March 2012.

Susan M. DeMasi, Secretary
Danville-Pittsylvania Regional Industrial
Facility Authority

(SEAL)

Exhibit A

[Proposal]

Recommendation of Demolition Contractor for the Removal of the two RIFA Houses located 1260 South Boston Rd and 1175 Cain Creek Parkway

List of Contractors and bids are listed below:

- | | |
|------------------------------|--------------|
| 1) Tony Wilson | \$73,500.00 |
| 2) W L Campbell Construction | \$80,610.00 |
| 3) M R Dishman & Son | \$84,450.00 |
| 4) Concrete Foundations | \$137,000.00 |
| 5) Moxley Construction | \$340,022.48 |
| 6) White's Construction | \$61,950.00 |
- a. (White's Construction removed from list-Did not bid in accordance to RFP (did not include asbestos/lead abatement cost)

Tony Wilson was low bidder for the demolition of the two RIFA houses located at 1260 South Boston Rd and 1175 Cain Creek Parkway in accordance to RFP. Therefore, we recommend Tony Wilson as the contractor. Should you have any questions, Please feel free to Inspection Division, Mike Burton or Jerry Rigney at 434 799-5263.

Tony Wilson General Contractor, LLC
1888 Fall Creek Drive
Danville, VA 24540
Phone/Fax (434)836-2866
Cell (434) 429-6964

February 27, 2012

Purchasing Department
427 Patton Street
Danville, VA 24540
Danville-Pittsylvania Regional Industrial Facility Authority

Project: RFP 11/12-079 House Demolitions
Cover Letter

My company Tony Wilson General Contractor, LLC will be bidding on the above project. The company is located at the following address.

1888 Fall Creek Drive
Danville, VA 24540
Phone /Fax(434)836-2866
Email: tw47comcast.net

The contact person is Tony A. Wilson-President. He holds a class A license, and operates heavy equipment. He has been involved in demolition, excavation, clearing and grubbing, sewer and water, since 1993. He has a laborer that have worked with him over the years and has experience in this type of work. He also has a certification for Asbestos removal.

This company holds certification for Virginia Department of Transportation, DBE certified and North Carolina Department of Transportation. The company has performed many demolition jobs in the city, county and surrounding areas.

The following list are references for this company:

Bobby Marshall
Marshall Construction Company
2690 Old Richmond Road
Danville, VA 24540
(434) 793-2715

City of Danville
P.O. Box 3300
Danville, VA 24540
Gary Via
(434)799-6528

Julian Swanson
117 Fairlawn Dr
Danville, VA 24540
(434)836-5420

Projects done for the above references are as follows:

1. Waste Water Treatment Plan- located on 229 Northside Drive, Danville, VA. This job involve demolition through out the plant in very tight quarters. It involved removing very large tanks , platforms of steel and concrete. This job was done 2011(Feb-July). Contact Gene Hastings (434)799-5137.
2. Demolition of a large house – located on Franklin Turnpike for Marshall Construction Company. Bobby Marshall-7932715.
This project was done 2009. It also included removing debris and grading property.
3. Demolition of houses- located through Danville, It involved demolishing houses and preparing property for future use. Julian Swanson property owner. These jobs were done in 2011.

Project: RFP 11/12-079 House Demolitions

1260 South Boston Road
1175 Cane Creek Parkway

The cost of demolishing the houses at the above address will be as follows.

The cost of demolishing the house at 1260 South Boston road will be \$34,500.00.

The cost to abandon the well on the property of 1260 South Boston Road will be \$1,500.00.

The cost to demolish the house at 1175 Cane Creek Parkway will be \$37,500.00.

The total cost of the bid proposal is \$73, 500.00.

Thank You



Tony A Wilson
President

**AGENDA
ITEM NUMBER 6E**

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY 2012
- C. Mega Park – Funding Other than Bond Funds
- D. \$11.25 Million Bonds – Mega Park
- E. Cane Creek Centre – Lots 3 & 9
- F. Yorktowne Reimbursement
- G. Rent, Interest, and Other Income Realized
- H. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority
\$7.3 million Bonds for Cane Creek Centre - Issued in August 2005
As of February 29, 2012

<u>Funding</u>	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
Funds from bond issuance	\$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	486,486.77				
Cane Creek Parkway ³		\$ 3,804,576.00	\$ 3,724,241.16	\$ -	
Swedwood Drive ²		69,414.00	69,414.00	-	
Cane Creek Centre entrance ³		72,335.00	53,878.70	-	
Financial Advisory Services		7,600.00	7,600.00	-	
Dewberry contracts ¹		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant ^{4,5}		71,881.00	11,924.62	59,956.38	
Yorktowne Sound Buffer		-	-	-	
Land		-	2,560,921.67	-	
Demolition services		-	33,761.62	-	
Legal fees		-	48,954.23	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶		142,190.00	80,122.49	62,067.51	
Other expenditures			10,649.70	-	
Total	\$ 7,630,987.19	\$ 4,237,578.50	\$ 6,671,050.69	\$ 122,023.89	\$ 837,912.61

notes:

¹ Dewberry Contracts consist of wetland, engineering, surveying and site preparation

² Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive

³ Project completed under budget

⁴ In September 2008 the outstanding principal balance of \$6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.

⁴ These contracts were originally to be paid by the \$1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.

⁵ The budget amount decreased \$71,279.61 from the September 30, 2010 reports. This amount represented the remaining budget amount carried from the \$1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.

⁶ This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds.

Road Summary-Cane Creek Parkway:	
English Contract-Construction	\$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
Total Road Contract Allocated to RIFA	\$ 5,271,916.00

Funding Summary - Cane Creek Parkway	
VDOT	\$ 1,467,340.00
Bonds	3,804,576.00
	\$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority
General Expenditures for Fiscal Year 2012
As of February 29, 2012

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY11	-				
Contingency					
Bank Fees		\$ 4,100.00	\$ 4,071.25	\$ -	\$ -
Arbitrage Rebate Calculation Fees		2,000.00	2,000.00	-	-
Moody's Investor Service		-	1,100.00	-	-
Cyber Park Parcel Appraisal		-	1,800.00	-	-
Employee Reimbursement		-	44.24	-	-
News & Advance ad for RFP to demolish structures		-	69.60	-	-
Miscellaneous contingency items		15,000.00	117.66	-	-
Total Contingency Budget		21,100.00	9,202.75	-	12,940.35
Legal		90,250.00	38,485.13	-	61,336.87
Accounting		18,750.00	18,750.00	-	-
Postage & Shipping		100.00	17.67	-	82.33
Meals		2,800.00	1,857.20	-	1,409.60
Utilities		10,000.00	1,402.97	-	8,912.31
Insurance		7,000.00	-	-	7,000.00
Total	\$ 150,000.00	\$ 150,000.00	\$ 69,715.72	\$ -	<u>\$ 80,284.28</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park - Funding Other than Bond Funds

As of February 29, 2012

	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
Funding					
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property ^{1,4}	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Land					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property ²		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis ³		990,850.00	965,754.29	25,095.71	
Consulting Services - McCallum Sweeney		115,000.00	92,130.18	22,869.82	
Total	\$ 14,388,399.83	\$ 14,231,524.83	\$ 14,183,559.30	\$ 47,965.53	\$ 156,875.00

¹ This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled \$144,150.41.

² Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.

³ This contract was originally for \$814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. \$740,000 will be covered by the FY09 Tobacco Allocation and \$250,850 will be covered by the FY10 Tobacco Allocation.

⁴ RIFA paid the City back for all advances on 1/3/2012.

Danville-Pittsylvania Regional Industrial Facility Authority
\$11.25 million Bonds for Berry Hill Mega Park project - Issued December 1, 2011
As of February 29, 2012

	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
Funding					
Funds from bond issuance	\$ 11,250,000.00				
Issuance cost	(323,455.70)				
Underwriter's Discount	(225,000.00)				
Original Issue Discount	(21,325.15)				
Interest earned to date	878.68				
Initial Land Purchases ¹		-	10,345,376.83	-	
Interest owed to City on fronts for land purchases		-	144,150.41	-	
Legal fees		-	148,396.67	-	
Dewberry & Davis Project Presentation		-	14,785.00	-	
Other expenditures		-	17,335.53	-	
Total	\$ 10,681,097.83	\$ -	\$ 10,670,044.44	\$ -	<u><u>\$ 11,053.39</u></u>

¹ The City of Danville fronted the funds for \$10,340,983.83 of these land purchases. RIFA reimbursed the City of Danville this amount plus the interest owed, which totaled \$144,150.41, on 1/3/2012 using the bond funds drawn down.

Danville-Pittsylvania Regional Industrial Facility Authority

Cane Creek Centre - Lots 3 & 9

As of February 29, 2012

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
EDA Grant Investment	\$ 2,275,030.00				
Tobacco Commission FY10 Reserve Fund Allocation	426,568.00				
Local Match - RIFA ¹	142,190.00				
Expenditures					
Haymes Brothers, Inc.		\$ 1,488,466.71	\$ 1,488,466.71	\$ -	
Dewberry & Davis		111,600.00	111,600.00	-	
Advertisements for bids		-	2,383.00	-	
Total	\$ 2,843,788.00	\$ 1,600,066.71	\$ 1,602,449.71	\$ -	<u>\$ 1,241,338.29</u>

¹ Bond funds are available to cover this local match.

Danville-Pittsylvania Regional Industrial Facility Authority
 Rent, Interest, and Other Income Realized
 As of February 29, 2012

<u>Funding</u>	<u>Funding</u>	<u>Expenditures</u>	<u>Unexpended / Unencumbered</u>
<u>Rental Properties</u>			
<u>Lessee</u>	<u>Property</u>	<u>Rent Received</u>	
<i>Cyberpark</i>			
Institute for Advanced Learning and Research (IALR) ^{1,4}	Hawkins Research Building at 230 Slayton Ave.	\$ 551,034.49	
Securitas	Gilbert Building at 1260 South Boston Rd.	12,800.00	
<i>Cane Creek Centre</i>			
Stephen R. & Susan G. Wilson	Hughes House at 390 Cedar Lane	2,800.00	
Douglas C. Agner	Hughes House at 390 Cedar Lane	6,000.00	
Richard A. Parker	Hughes House at 390 Cedar Lane	2,400.00	
Axxor N.A. LLC ⁶	Apartments at 390 Cedar Lane	2,250.00	
<i>Berry Hill Mega Park</i>			
Guilford Whitetail Management	Klutz Farm off State Rd. 863	11,000.00	
Oak Hill Hunt Club	Hairston Farm off State Rd. 863	8,000.00	
Patten Seed Company	30 acre tract on Stateline Bridge Rd.	6,500.00	
Browning & Associates, Ltd. ⁵	4380 Berry Hill Road House	7,750.00	
Mountain View Farms of Virginia, L.C.	30 acre tract on Stateline Bridge Rd.	3,000.00	
Osborne Company of North Carolina, Inc.	4380 Berry Hill Road Pastureland	800.00	
<i>Total Rent</i>		\$ 614,334.49	
<u>Interest Received</u> ²		\$ 23,264.58	
<u>Expenditures</u>			
Disbursement to IALR for SEnTeC project ¹		\$ 278,812.00	
Transfer to General Expenditures budget ³		50,000.00	
Total		\$ 637,599.07	\$ 328,812.00
			\$ 308,787.07

¹ A portion of the rent received from the IALR for the Hawkins Research Building was Board-restricted for the SEnTeC project. RIFA disbursed \$278,812.00 to the IALR to fully satisfy this commitment made by the Board at the June 11, 2008 meeting.

² Please note that this is only interest received on RIFA's general money market account.

³ The RIFA Board approved to transfer \$50,000 from rental income realized to the General Expenditures budget at its March 14, 2011 meeting.

⁴ Please note that these rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

⁵ Please note that Browning & Associates has paid a \$1,000 security deposit per the lease agreement that is not included in rental income above.

⁶ Please note that Axxor N.A. LLC has paid a \$500 security deposit per the lease agreement that is not included in rental income above.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Assets ^{1, 2}
February 29, 2012*

	Unaudited FY 2012
Assets	
<i>Current assets</i>	
Cash - checking	\$ 478,785
Cash - money market	389,856
<i>Total current assets</i>	868,641
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	1,046,444
Restricted cash - debt service fund CCC bonds	826,863
Restricted cash - project fund Berry Hill bonds	19,502
Restricted cash - debt service fund Berry Hill bonds	2,000,016
Capital assets not being depreciated	24,962,931
Capital assets being depreciated, net	27,244,055
Construction in progress	1,930,750
Unamortized bond issuance costs	678,562
<i>Total noncurrent assets</i>	58,709,123
Total assets	59,577,764
Liabilities	
<i>Current liabilities</i>	
Bonds payable - current portion	5,825,000
Unearned income	1,565
Security deposit	1,500
<i>Total current liabilities</i>	5,828,065
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	11,320,000
<i>Total noncurrent liabilities</i>	11,320,000
Total liabilities	17,148,065
Net Assets	
Invested in capital assets - net of related debt	40,885,561
Unrestricted	1,544,138
Total net assets	\$ 42,429,699

¹ Please note that this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

² Please note that this balance sheet does not include all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

*Please note that these statements are for the period ended February 29, 2012 as of February 29, 2012, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Assets
*February 29, 2012**

	Unaudited FY 2012
Operating revenues	
Economic Development Administration grants	723,418
Virginia Tobacco Commission grants	54,554
Rental income	161,171
Other grants	-
Total operating revenues	939,143
Operating expenses⁴	
Mega Park expenses ³	17,396
Cane Creek Centre expenses ^{3,5}	1,386,612
Cyber Park expenses ³	4,110
Professional fees	48,832
Insurance	5,729
Other operating expenses	3,509
Total operating expenses	1,466,188
Operating loss	(527,045)
Non-operating revenues (expenses)	
Interest income	1,224
Interest expense	(13,637)
Total non-operating expenses, net	(12,413)
Net loss before capital contributions	(539,458)
Capital contributions	
Contribution - City of Danville	1,337,392
Contribution - Pittsylvania County	1,337,392
Total capital contributions	2,674,784
Change in net assets	2,135,326
Net assets at July 1,	40,294,373
Net assets at February 29,	\$ 42,429,699

³ A portion or all of these expenses may be capitalized at fiscal year-end.

⁴ Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

⁵ Please note that this line item includes \$48,122 for fees related to the \$7.3M bonds for Cane Creek.

*Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
February 29, 2012**

	Unaudited FY 2012
Operating activities	
Receipts from grant reimbursement requests	\$ 1,060,413
Receipts from leases	160,039
Payments to suppliers for goods and services	(1,735,576)
Net cash used in operating activities	(515,124)
Capital and related financing activities	
Capital contributions	2,674,784
Interest paid on bonds	(8,543)
Proceeds from bond issuance	11,003,675
Bond issuance costs	(323,456)
Repayment to City for cash advances and interest on advances	(10,485,134)
Principal repayments on bonds	(285,000)
Net cash provided by capital and related financing activities	2,576,326
Investing activities	
Interest received	1,224
Net cash provided by investing activities	1,224
Net increase in cash and cash equivalents	2,062,426
Cash and cash equivalents - beginning of year (including restricted cash)	2,699,040
Cash and cash equivalents - through February 29, 2012 (including restricted cash)	\$ 4,761,466
Reconciliation of operating loss before capital contributions to net cash used in operating activities:	
Operating loss	\$ (527,045)
Changes in assets and liabilities:	
Change in prepaids	10,113
Change in due from other governments	282,441
Change in other receivables	3,500
Change in accounts payable	(279,498)
Change in unearned income	(5,135)
Change in security deposit	500
Net cash used in operating activities	\$ (515,124)

Components of cash and cash equivalents at February 29, 2012:	
American National - Checking	\$ 478,785
American National - General money market	389,856
Wachovia - \$7.3M Bonds CCC Debt service fund	826,863
Wachovia - \$7.3M Bonds CCC Project fund	1,046,444
US Bank - \$11.25M Bonds Berry Hill Debt service fund	2,000,016
US Bank - \$11.25M Bonds Berry Hill Project fund	19,502
	\$ 4,761,466