

AT A SPECIAL MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON FEBRUARY 23, 1998, AT 8:00 A.M. IN THE CONFERENCE ROOM OF BUILDING C, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

1. ROLL CALL

The meeting was called to order by Chairman Nystrom at 8:00 a.m. A roll call by Secretary Taylor identified the following members present:

Mr. John Berkenkamp
Mr. Vincent Campana
Mr. Sterling Nichols
Mr. Robert Demer
Mr. Jon Nystrom

ALSO PRESENT

Keith Taylor, Secretary, IDA
Sanford Wanner, County Administrator
Steve Johnson, Bond Counsel, Mays & Valentine
Ronald Nervitt, Board of Supervisors
Donna Christian, Recording Secretary, IDA
Frank Morton, County Attorney

2. ACTION ITEM

Resolution Approving the Form and Execution of The Barré Company, Inc. Industrial Development Revenue Bonds

Mr. Johnson gave a brief description of the resolution and its contents. He then entertained questions from the IDA directors. On a motion from Mr. Berkenkamp, seconded by Mr. Campana, the resolution was unanimously approved by voice vote.

3. REPORT

Strawberry Plains Road Property Appraisal Report

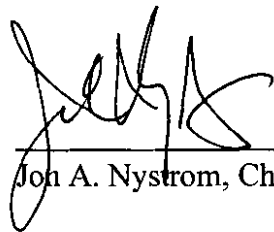
Mr. Taylor, thanked Mr. Campana for his help with the appraisal process. Mr. Taylor noted that the IDA received two bids and Rist Appraisal was the lowest bidder. Mr. Campana then gave a brief report on the appraisal and the results stated therein. Mr. Berkenkamp reminded the directors that the purpose of the appraisal was to determine the highest and best use for the property, then to turn it over to the Board of Supervisors for their determination of what to do with the property. Mr. Wanner then asked the IDA for its recommendation regarding the property. Mr Nystrom suggested selling the property and asked for a vote. On a motion from Mr. Berkenkamp and a second by Mr. Nichols the IDA voted by unanimous voice vote to recommend to the Board of Supervisors to sell the Strawberry Plains Road property. Copies of the appraisal report will be given to the Board of Supervisors to wait for their decision.

5. OTHER BUSINESS

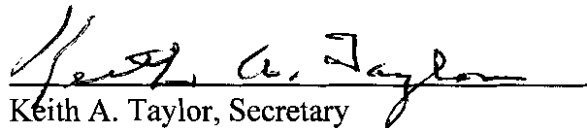
Mr. Demer stated that he is getting the planning commission packets and following the planning commission meetings. Mr. Wanner then discussed some of the regional issues that are being discussed in the Mayors and Chairs meetings. One of the issues being the Cities are trying to get support from the Counties in the areas of economic development.

6. ADJOURNMENT

There being no further business, Mr. Nystrom entertained a motion by Mr. Berkenkamp to adjourn. It was seconded by Mr. Demer and passed unanimously by voice vote. The meeting adjourned at 8:40 a.m.



Jon A. Nystrom, Chairman



Keith A. Taylor, Secretary

RESOLUTION OF THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA
APPROVING THE FORM AND EXECUTION OF UP TO \$3,000,000
INDUSTRIAL DEVELOPMENT REVENUE BONDS
(THE BARRÉ COMPANY, L.L.C. PROJECT)
SERIES 1998A & 1998B

The Industrial Development Authority of the County of James City, Virginia (the "Authority") is duly organized under the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"). In furtherance of the Act's purposes, the Authority agrees to issue, at the request of The Barré Company, L.L.C., a Virginia limited liability company (the "Borrower"), its Industrial Development Revenue Bonds (The Barré Company, L.L.C. Project), Series 1998A & 1998B in an original aggregate principal amount not to exceed \$3,000,000 (the "Bonds") to finance the acquisition, construction and equipping of an approximately 40,000 square foot manufacturing facility for precision metal fabrication located on that certain parcel containing 4.60 acres, known as Parcel A, as shown on that certain plat entitled, "Plat of Section B of Stonehouse Commerce Park at Stonehouse for Stonehouse, Inc., Stonehouse District, James City County (the "Project"). The Bonds are being issued as two registered bonds, one in the amount of \$2,100,000 and one in the amount of \$900,000.

The Bonds are being issued pursuant to a Bond Purchase and Loan Agreement, dated as of March 1, 1998 (the "Agreement"), among the Authority, the Borrower and CENIT Bank, FSB (the "Bondholder"). Pursuant to two Promissory Notes in an aggregate amount not to exceed \$3,000,000, dated the date of the issuance of the Bonds (the "Promissory Notes"), the Borrower has agreed to pay amounts sufficient to pay all amounts due and owing to the Bondholder under the Bonds. The Bonds are secured as set forth therein and in the Agreement.

In connection with the issuance of the Bonds by the Authority, forms of the following documents have been presented to this meeting and filed with the Authority's records: (i) the Bonds, (ii) the Promissory Notes and (iii) the Agreement. The Promissory Notes and the Agreement are collectively referred to in this Resolution as the "Bond Documents."

After careful consideration and in furtherance of the public purposes for which the Authority was created, NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA, THAT:

1. The Authority hereby approves the issuance of the Bonds to finance the costs of the Project and pay the issuance costs incurred in connection with the issuance of the Bonds. The Authority hereby approves the terms of the Bonds.
2. The Bonds and the Bond Documents are hereby approved in substantially the forms submitted to this meeting, with such changes, insertions or omissions (including, without limitation, changes of the dates thereof or the dates contained therein) as may be approved by the

Chairman or the Vice Chairman of the Authority, whose approval shall be evidenced conclusively by their execution and delivery of the Bonds and such Bond Documents containing such changes, insertions or omissions.

3. The execution, delivery and performance by the Authority of the Bond Documents are authorized. The execution of the Bonds and their delivery against payment therefor are authorized.

4. The Chairman and Vice Chairman of the Authority, either of whom may act, are each authorized to execute, on behalf of the Authority, the Bonds and the Bond Documents, and, if required, the Secretary and the Assistant Secretary of the Authority, either of whom may act, are each authorized to affix the seal of the Authority to the Bonds and the Bond Documents and to attest such seal. Each officer of the Authority is authorized to execute and deliver on behalf of the Authority such instruments, documents or certificates, including Internal Revenue Service Form 8038, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bonds, the Bond Documents or such instruments, documents or certificates, and all of the foregoing, previously done or performed by the officers or directors of the Authority, are in all respects approved, ratified and confirmed.

5. The Authority determines that the issuance of the Bonds and use of the proceeds thereof to finance the Project and all other actions of the Authority contemplated under the Bond Documents will be in furtherance of the purposes for which the Authority was organized.

6. The Authority elects, pursuant to Section 144(a)(4) of the Internal Revenue Code of 1986, as amended, to have the \$10,000,000 limit provided for in such Section apply to the Bonds.

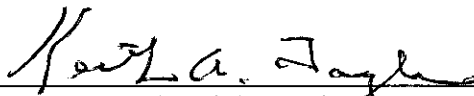
7. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds, whether such acts occurred before or occur after the adoption of this Resolution, are hereby ratified, approved and confirmed.

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

Certificate

The undersigned Secretary of the Industrial Development Authority of the County of James City, Virginia hereby certifies that the foregoing is a true, correct and complete copy of a resolution duly adopted by the directors of the Industrial Development Authority of the County of James City, Virginia present and voting at a meeting duly called and held on February 23, 1998, 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 and the seal of the Authority this 23rd day of February, 1998.


Secretary, Industrial Development Authority of the
County of James City, Virginia

(SEAL)

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