

10-Sep-08

OLD STANDARD EXTENDED STAY HOTEL

ROOM SUMMARY

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Rooms Available | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| Occupancy Rate | 95% | 95% | 95% | 95% | 95% | 95% | 95% | 95% | 95% | 95% |
| Annual Room Nights Occupied | 86,688 | 86,688 | 86,688 | 86,688 | 86,688 | 86,688 | 86,688 | 86,688 | 86,688 | 86,688 |
| Room Rate | 100 | 103 | 109 | 109 | 113 | 118 | 119 | 123 | 127 | 130 |

REVENUE

| | | | | | | | | | | |
|--------------------------------------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|
| Annual Room Revenue | 8,668,750 | 8,828,813 | 9,196,677 | 9,472,577 | 9,756,754 | 10,049,457 | 10,350,941 | 10,661,469 | 10,981,313 | 11,310,753 |
| Services Revenue (% of Room Revenue) | 5% | 433,438 | 459,834 | 473,628 | 487,838 | 502,473 | 517,547 | 533,073 | 549,066 | 565,538 |
| Sub Total - Operating Revenue | 9,102,188 | 9,375,253 | 9,656,511 | 9,946,208 | 10,244,592 | 10,551,930 | 10,868,488 | 11,194,543 | 11,530,379 | 11,876,290 |

EXPENSES

| | | | | | | | | | | |
|--|-----|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Flag Fees | | | | | | | | | | |
| Operating Expenses (% of Room Revenue) | 55% | 4,767,813 | 4,810,847 | 5,209,917 | 5,366,216 | 5,527,201 | 5,693,017 | 5,863,808 | 6,039,722 | 6,220,914 |
| Sub Total - Expenses | | 4,767,813 | 4,810,847 | 5,209,917 | 5,366,216 | 5,527,201 | 5,693,017 | 5,863,808 | 6,039,722 | 6,220,914 |
| NOI | | 4,334,375 | 4,464,406 | 4,736,289 | 4,878,377 | 5,024,729 | 5,175,470 | 5,330,735 | 5,490,657 | 5,655,376 |

COSTS & LOAN

| | | | | | | | | | | |
|----------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Hard Costs | 31,250,000 | | | | | | | | | |
| FF&E | 3,750,000 | | | | | | | | | |
| Soft Costs | 1,312,500 | | | | | | | | | |
| Land (6 Acres) | 2,500,000 | | | | | | | | | |
| Less Equity | (2,500,000) | | | | | | | | | |
| Mortgage | 36,812,500 | | | | | | | | | |
| Interest Rate | 8% | | | | | | | | | |
| Term (Years) | 25 | | | | | | | | | |
| Debt Service | | 2,840,608 | 2,840,608 | 2,840,608 | 2,840,608 | 2,840,608 | 2,840,608 | 2,840,608 | 2,840,608 | 2,840,608 |
| Principle | | 681,856 | 701,568 | 788,283 | 835,560 | 885,715 | 938,898 | 995,189 | 1,054,901 | 1,118,195 |
| Interest | | 2,178,750 | 2,139,039 | 2,052,325 | 2,005,028 | 1,954,883 | 1,901,750 | 1,845,418 | 1,785,707 | 1,722,413 |
| Loan Balance | 36,850,642 | 34,948,073 | 34,205,410 | 33,417,127 | 32,591,547 | 31,695,832 | 30,758,974 | 29,781,785 | 28,766,864 | 27,588,689 |

CASH FLOW

| | | | | | | | | | | |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Operating Revenue | 9,102,188 | 9,375,253 | 9,656,511 | 9,946,208 | 10,244,592 | 10,551,930 | 10,868,488 | 11,194,543 | 11,530,379 | 11,876,290 |
| Expenses | 4,767,813 | 4,810,847 | 5,058,172 | 5,209,917 | 5,366,215 | 5,527,201 | 5,693,017 | 5,863,808 | 6,039,732 | 6,220,914 |
| Debt Service | \$2,840,608 | \$2,840,608 | \$2,840,608 | \$2,840,608 | \$2,840,608 | \$2,840,608 | \$2,840,608 | \$2,840,608 | \$2,840,608 | \$2,840,608 |
| Cash Flow | 1,493,767 | 1,823,799 | 1,757,731 | 1,895,681 | 2,037,770 | 2,184,121 | 2,334,863 | 2,490,127 | 2,650,049 | 2,814,769 |

Annual CPI 3%

**MNPS Data Center Site
Proforma Budget Projections**

CONFIDENTIAL-468-

Warm, Lit Shell Construction

4-Feb-08
Prepared By: T. Getzel

MNPS Harpers Ferry, W Va.
Baseline Proforma
Development Program: 200,000 GSF Data Center Lease Building #1

| | | | |
|-----------------------------------|---------|--------------------------|---------|
| Total Size of All Buildings (GSF) | 200,000 | Total Building Size (SF) | 200,000 |
| Core Factor (5%) | 10,000 | Site Acreage | 8.00 |
| Total Size of All Buildings (RSF) | 190,000 | F.A.R. (Density) | 0.50 |
| | | Footprint | |
| | | Total Parking Spaces | 146 |

| | \$/GSF | \$/RSF | TOTAL \$ | COMMENTS |
|--|-----------------|-----------------|---------------------|---|
| LAND | | | | |
| 1 Basis | \$30.00 | \$31.58 | \$6,000,000 | Lump sum |
| 2 Property Taxes | \$0.40 | \$0.42 | \$80,539 | \$2,237.2 per \$100 investment taking 60% of Market Value |
| 3 Builders Risk Insurance | \$0.24 | \$0.25 | \$47,500 | \$/SF estimate |
| 4 Settlement Costs | \$0.25 | \$0.26 | \$50,000 | Lump sum estimate |
| Land Subtotal | \$30.89 | \$32.52 | \$6,178,039 | |
| DESIGN | | | | |
| 5 Architect/MEP/Structural Engineer | \$7.50 | \$7.89 | \$1,500,000 | Lump Sum Estimate |
| 6 Arch Design Contingency | \$0.50 | \$0.53 | \$100,000 | Lump Sum Estimate |
| 7 Civil Eng'r | \$0.38 | \$0.39 | \$75,000 | Lump Sum Estimate |
| 8 Civil Design Contingency | \$0.10 | \$0.10 | \$19,000 | Lump Sum Estimate |
| 9 Traffic Study | \$0.13 | \$0.13 | \$25,000 | Lump Sum Estimate |
| 10 Geotech Eng'r | \$0.10 | \$0.10 | \$19,000 | Lump Sum Estimate |
| 11 Landscape Architect | \$0.13 | \$0.13 | \$25,000 | Lump Sum Estimate |
| 12 Testing, Inspections, 3rd Party Reports | \$0.29 | \$0.30 | \$57,000 | Lump Sum Estimate |
| 13 Reimbursables | \$0.25 | \$0.26 | \$50,000 | Lump Sum Estimate |
| Design Subtotal | \$9.35 | \$9.84 | \$1,870,000 | |
| PERMITS AND FEES | | | | |
| 14 Impact Fees | \$0.00 | \$0.00 | \$0 | |
| 15 Site Plan Fees | \$0.08 | \$0.10 | \$15,000 | Lump Sum Estimate |
| 16 Public Improvement Bond | \$0.00 | \$0.00 | \$100,000 | Lump Sum Estimate |
| 17 Conservation/Escrow Bond | \$0.00 | \$0.00 | \$100,000 | Lump Sum Estimate |
| 18 Utilities Permit | \$0.10 | \$0.10 | \$65,000 | Lump Sum Estimate |
| 19 Utilities Connection | \$0.71 | \$0.75 | \$142,500 | Lump Sum Estimate (lap fee) |
| 20 Building Permit Fees | \$0.48 | \$0.50 | \$150,000 | Lump Sum Estimate |
| 21 Permit Consultant | \$0.11 | \$0.12 | \$22,800 | \$/SF estimate |
| Permits Subtotal | \$1.47 | \$1.57 | \$595,300 | |
| HARD COSTS | | | | |
| 22 Demolition | \$0.00 | \$0.00 | \$0 | |
| 23 Base Building Construction | \$171.00 | \$180.00 | \$34,200,000 | \$/SF estimate |
| 24 Sitework & Utilities | \$23.75 | \$25.00 | \$4,750,000 | \$/SF estimate |
| 25 HVAC | \$33.25 | \$35.00 | \$6,650,000 | \$/SF estimate |
| 26 Electrical Installation | \$23.75 | \$25.00 | \$4,750,000 | \$/SF estimate |
| 27 Landscaping & Irrigation | \$0.38 | \$0.40 | \$76,000 | \$/SF estimate |
| 28 Back-up Generators | \$7.50 | \$7.89 | \$1,500,000 | Lump Sum estimate |
| 29 Signage/FFE/Security | \$0.33 | \$0.35 | \$225,000 | Lump Sum estimate |
| 30 Construction Contingency | \$13.04 | \$13.72 | \$2,607,550 | of Construction Hard Costs. |
| Construction Subtotal | \$273.79 | \$288.20 | \$54,758,550 | |
| TENANT IMPROVEMENTS | | | | |
| 31 Test Fits | \$0.00 | \$0.00 | \$0 | Warm Lit Shell- rest by tenant |
| 32 Multi-Tenant Expense | \$0.00 | \$0.00 | \$0 | |
| 33 Tenant Allowance | \$0.00 | \$0.00 | \$0 | |
| TI Subtotal | \$0.00 | \$0.00 | \$0 | |
| ADMINISTRATION | | | | |
| 34 Developer Fees | \$14.31 | \$15.06 | \$2,861,193 | of Project Direct Costs - Less Land Costs |
| 35 Legal Fees | \$0.95 | \$1.00 | \$190,000 | \$/SF estimate |
| 36 Marketing Expenses | \$0.13 | \$0.13 | \$25,000 | Lump sum estimate |
| 37 Sale Commissions | \$0.00 | \$0.00 | \$0 | N/A |
| 38 Lease Commissions | \$9.50 | \$10.00 | \$1,900,000 | to Stonewall Heights LLC/ outside broker |
| Administration Subtotal | \$24.88 | \$26.19 | \$4,876,193 | |
| 39 PROJECT DIRECT COSTS | \$340.38 | \$358.32 | \$68,276,082 | |
| FINANCE | | | | |
| 40 Construction Loan Fee | \$2.56 | \$2.70 | \$512,836 | of 75% of Project Direct Costs |
| 41 Permanent Loan Fee | \$0.75 | \$0.78 | \$149,000 | of \$53.4M Permanent Loan |
| 42 Legal Fees/Closing Costs | \$0.48 | \$0.50 | \$95,000 | \$/SF estimate |
| 43 Net Lease Up Income | \$0.00 | \$0.00 | \$0 | N/A |
| 44 Construction Interest | \$11.97 | \$12.60 | \$2,393,233 | rate, \$68.4M loan, 50% avg bal, carried over 12 months |
| 45 Lease Up Interest Carry | \$0.00 | \$0.00 | \$0 | Carried in 10-yr cash flow |
| Finance Subtotal | \$15.75 | \$16.58 | \$3,150,068 | |
| 46 CONTINGENCY | \$15.55 | \$16.37 | \$3,110,002 | of Project Direct Costs - Less Land Costs. |
| 47 TOTAL PROJECT COSTS | \$373.19 | \$392.63 | \$74,638,152 | |

**MNPS Data Center Site
Proforma Budget Projections**

CONFIDENTIAL - 469 -

Warm, Lit Shell Construction

4-Feb-08
Prepared By: T. Glatzel

MNPS Harpers Ferry, W Va.
Baseline Proforma
Development Program: 200,000 GSF Data Center Lease Building #1

| | | | |
|-----------------------------------|---------|--------------------------|---------|
| Total Size of All Buildings (GSF) | 200,000 | Total Building Size (SF) | 200,000 |
| Core Factor (5%) | 10,000 | Site Acreage | 8.00 |
| Total Size of All Buildings (RSF) | 190,000 | F.A.R. (Density) | 0.50 |
| | | Footprint | |
| | | Total Parking Spaces | 146 |

| | \$/GSF | \$/RSF | TOTAL \$ | |
|--|-----------------|-----------------|---------------------|--|
| LAND | | | | |
| 1 Basis | \$30.00 | \$31.58 | \$6,000,000 | Lump sum |
| 2 Property Taxes | \$0.40 | \$0.42 | \$80,539 | \$2,2372 per \$100 investment taking 60% of Market Value |
| 3 Builders Risk Insurance | \$0.24 | \$0.25 | \$47,500 | \$/SF estimate |
| 4 Settlement Costs | \$0.25 | \$0.26 | \$50,000 | Lump sum estimate |
| Land Subtotal | \$30.89 | \$32.52 | \$6,178,039 | |
| DESIGN | | | | |
| 5 Architect/MEP/Structural Engineer | \$7.50 | \$7.89 | \$1,500,000 | Lump Sum Estimate |
| 6 Arch Design Contingency | \$0.50 | \$0.53 | \$100,000 | Lump Sum Estimate |
| 7 Civil Eng'r | \$0.38 | \$0.39 | \$75,000 | Lump Sum Estimate |
| 8 Civil Design Contingency | \$0.10 | \$0.10 | \$19,000 | Lump Sum Estimate |
| 9 Traffic Study | \$0.13 | \$0.13 | \$25,000 | Lump Sum Estimate |
| 10 Geotech Eng'r | \$0.10 | \$0.10 | \$19,000 | Lump Sum Estimate |
| 11 Landscape Architect | \$0.13 | \$0.13 | \$25,000 | Lump Sum Estimate |
| 12 Testing, Inspections, 3rd Party Reports | \$0.29 | \$0.30 | \$57,000 | Lump Sum Estimate |
| 13 Reimbursables | \$0.25 | \$0.26 | \$50,000 | Lump Sum Estimate |
| Design Subtotal | \$9.35 | \$9.84 | \$1,870,000 | |
| PERMITS AND FEES | | | | |
| 14 Impact Fees | \$0.00 | \$0.00 | \$0 | |
| 15 Site Plan Fees | \$0.08 | \$0.10 | \$15,000 | Lump Sum Estimate |
| 16 Public Improvement Bond | \$0.00 | \$0.00 | \$100,000 | Lump Sum Estimate |
| 17 Conservation/Escrow Bond | \$0.00 | \$0.00 | \$100,000 | Lump Sum Estimate |
| 18 Utilities Permit | \$0.10 | \$0.10 | \$65,000 | Lump Sum Estimate |
| 19 Utilities Connection | \$0.71 | \$0.75 | \$142,500 | Lump Sum Estimate (tap fee) |
| 20 Building Permit Fees | \$0.48 | \$0.50 | \$150,000 | Lump Sum Estimate |
| 21 Permit Consultant | \$0.11 | \$0.12 | \$22,800 | \$/SF estimate |
| Permits Subtotal | \$1.47 | \$1.57 | \$595,300 | |
| HARD COSTS | | | | |
| 22 Demolition | \$0.00 | \$0.00 | \$0 | |
| 23 Base Building Construction | \$171.00 | \$180.00 | \$34,200,000 | \$/SF estimate |
| 24 Sitework & Utilities | \$23.75 | \$25.00 | \$4,750,000 | \$/SF estimate |
| 25 HVAC | \$33.25 | \$35.00 | \$6,650,000 | \$/SF estimate |
| 26 Electrical Installation | \$23.75 | \$25.00 | \$4,750,000 | \$/SF estimate |
| 27 Landscaping & Irrigation | \$0.38 | \$0.40 | \$76,000 | \$/SF estimate |
| 28 Back-up Generators | \$7.50 | \$7.89 | \$1,500,000 | Lump Sum estimate |
| 29 Signage/FFE/Security | \$0.33 | \$0.35 | \$225,000 | Lump Sum estimate |
| 30 Construction Contingency | \$13.04 | \$13.72 | \$2,607,550 | of Construction Hard Costs. |
| Construction Subtotal | \$273.79 | \$288.20 | \$54,758,550 | |
| TENANT IMPROVEMENTS | | | | |
| 31 Test Fits | \$0.00 | \$0.00 | \$0 | Warm Lit Shell- rest by tenant |
| 32 Multi-Tenant Expense | \$0.00 | \$0.00 | \$0 | |
| 33 Tenant Allowance | \$0.00 | \$0.00 | \$0 | |
| TI Subtotal | \$0.00 | \$0.00 | \$0 | |
| ADMINISTRATION | | | | |
| 34 Developer Fees | \$14.31 | \$15.06 | \$2,861,193 | of Project Direct Costs - Less Land Costs |
| 35 Legal Fees | \$0.95 | \$1.00 | \$190,000 | \$/SF estimate |
| 36 Marketing Expenses | \$0.13 | \$0.13 | \$25,000 | Lump sum estimate |
| 37 Sale Commissions | \$0.00 | \$0.00 | \$0 | N/A |
| 38 Lease Commissions | \$9.50 | \$10.00 | \$1,900,000 | to Stonewall Heights LLC/ outside broker |
| Administration Subtotal | \$24.88 | \$26.19 | \$4,976,193 | |
| 39 PROJECT DIRECT COSTS | \$340.34 | \$356.32 | \$68,376,082 | |
| FINANCE | | | | |
| 40 Construction Loan Fee | \$2.56 | \$2.70 | \$512,836 | of 75% of Project Direct Costs |
| 41 Permanent Loan Fee | \$0.75 | \$0.78 | \$149,000 | of \$63.4M Permanent Loan |
| 42 Legal Fees/Closing Costs | \$0.48 | \$0.50 | \$95,000 | \$/SF estimate |
| 43 Net Lease Up Income | \$0.00 | \$0.00 | \$0 | N/A |
| 44 Construction Interest | \$11.97 | \$12.60 | \$2,393,233 | rate, \$68.4M loan, 50% avg bal, carried over 12 months |
| 45 Lease Up Interest Carry | \$0.00 | \$0.00 | \$0 | Carried in 10-yr cash flow |
| Finance Subtotal | \$15.75 | \$16.58 | \$3,150,068 | |
| 16 CONTINGENCY | \$15.55 | \$16.37 | \$3,110,002 | of Project Direct Costs - Less Land Costs. |
| 17 TOTAL PROJECT COSTS | \$373.19 | \$392.83 | \$74,638,152 | |

To: Mr. Herb Jonkers
Old Standard, LLC
Route 2, Box 99E
Charles Town, West Virginia 25414

Date: March 2, 2007
Project No.: 0101-04-0012

Sent Via: Mail Federal Express United Parcel Service
 Hand Carried Other: _____

| Quantity | Description |
|--|---|
| 1 | West Virginia Bureau for Public Health Permit No. 17,411 for Old Standard Development Waste Water Collection and Treatment Facilities |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| Remarks: This permit amends and modifies Permit Nos. 16,170 and 16,229. | |

By: Vincent J. Ammirato/ljk
c: Lee Snyder, Snyder Environmental Services

-471-
04-002

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

CAPITOL and WASHINGTON STREETS 1 DAVIS SQUARE, SUITE 200 CHARLESTON, WEST VIRGINIA 25301
TELEPHONE 304-558-2981

PERMIT

PROJECT: (Sewage)
Old Standard Development
Wastewater Collection & WWTP

PERMIT NO.: 17,411

LOCATION: Millville

COUNTY: Jefferson

DATE: 2-26-2007

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

Old Standard, L.L.C.
c/o Herb Jonkers
Route 2, Box 99E
Charles Town, West Virginia 25414

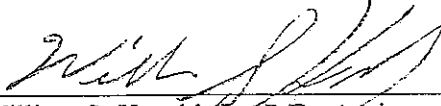
is hereby granted approval to: amend and modify Permit Nos. 16,170 and 16,229 the Old Standard Development wastewater collection and treatment facilities. Major modifications are the relocation of the wastewater treatment plant; modifying the intake structures so that flow will first be through the screens then to equalization basins; changing the membrane treatment plant from a single train to a dual train plant; increasing the membrane treatment plant basin to treat a higher organic loading; changing the ultraviolet disinfection system from an enclosed to an open system; adding space for an office and laboratory; adding pumps to the post-anoxic basins in order to move sludge to the sludge basin; adding aerators and sludge pumps in the sludge basins; and other necessary piping, valves, controls and appurtenances.

NOTE: This permit is contingent upon all unchanged conditions and requirements of Permit Nos. 16,170 and 16,229 remaining in effect.

The Environmental Engineering Division of the OEHS-Kearneysville District Office, telephone (304) 725-9453 is to be notified when construction begins.

Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

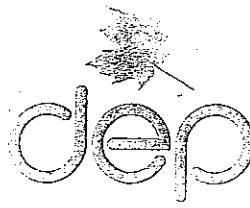
FOR THE DIRECTOR



William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:emt

pc: Potesta & Associates, Inc.
Katheryn Emery, P.E., DEP
James W. Ellars, P.E., PSC-Engineering Division
Amy Swann, PSC
Jefferson County Health Department
OEHS-EED Kearneysville District Office



west virginia department of environmental protection

Environmental Enforcement
601 57th Street
Charleston, WV 25304
Telephone: (304) 926-0470 Fax: (304) 926-0488

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

August 8, 2008

Old Standard, LLC
Mr. Herbert Jonkers
PO Box 341
Millwood, VA 22646

Certified Return Receipt Requested
Cert #7007 0220 0000 0373 9390

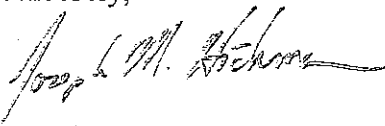
Dear Mr. Jonkers:

Enclosed is a copy of the inspection report submitted to the U.S. Environmental Protection Agency, the Department of Environmental Protection's Division of Water and Waste Management and to Environmental Enforcement's Romney Office.

No deficiencies were noted during the inspection of your facility. You and your staff are to be commended for your commitment to proper operation and maintenance of your treatment facility.

If you have any questions, please contact Jack Fleshman at (304) 822-7266.

Sincerely,


Joseph M. Hickman
Assistant Chief Inspector

JH/mks
Enclosure
cc: DWWM Water Permits
NE Regional Office
Compliance Monitoring
Ashley K. Toy, US EPA, Region III

Summary

Old Standard LLC's Membrane Bioreactor Wastewater Treatment Plant was placed into service in March, 2008, with an average design flow of 0.05 MGD to serve Sheridan Subdivision. The operation of the facility is contracted out to Snyder Environmental. Records of operation, sampling results, etc. are up to date. The laboratory work is contracted to Hydrochem. The facility appears to be operating properly with no deficiencies noted during this evaluation.

Facility

The Old Standard LLC Wastewater Treatment Plant (WWTP) is a 0.05 MGD Membrane Bioreactor (MBR) wastewater treatment plant. The collection system is comprised of approximately 5,700 linear feet of 12-inch diameter gravity sewer line, 23 manholes, one 35gpm duplex submersible sewage pump station/equalization basin, 7,300 linear feet of 6-inch diameter force main line.

This 0.05 MGD MBR wastewater treatment plant is being constructed in three phases. Currently, phase one is complete, with an average design flow of 0.05 MGD. Phase one is comprised of a 1/8" fine screen and screen washing, 2 MBR basins with a combined capacity of 0.25 MGD (currently one is in operation), and ultraviolet disinfection units. This system discharges wastewater through outlet 001 into the Shenandoah River of the Potomac River.

The operation of this wastewater plant is contracted to Snyder Environmental. Mr. Mike Mercer of Snyder Environmental was on-site for the inspection. Old Standard LLC was not notified in advance of this inspection. However, Mike Mercer was given one day's notice, because Snyder Environmental personnel are on-site two times per week.

Permit

Old Standard LLC WWTP currently operates under WV/NPDES permit number WV0105724, dated February 15, 2005, which expires on February 15, 2010. A current copy of the permit was available on-site for inspection. The name and address of the permittee was correct and the facility operates as described on the permit. The number of discharge outlets, as well as the receiving river, is listed correctly.

Records/Reports

A review of records kept on-site showed that the facility has retained their NPDES records since the start of the plant. The sludge is land applied at the Styles Farm. The sludge reports are not due to DEP until February 2009. Upon review of Discharge Monitoring Reports (DMR), it was noted that loading calculations used the correct flow measurement period, average monthly fecal coliform concentrations were calculated using the geometric mean, and analytical values under Method Detection Limits were properly reported. All

reports for this facility are completed and submitted to the Romney Office in the required time frame. The facility maintains very good sampling records, which include all necessary information. Facility personnel also complete chain-of-custody forms. Flow charts are kept since the start of the facility. A flow meter calibration was performed by Instrulogic Corp from Round Hill, VA on June 25, 2008. As a result of this review, it appears that all records and reports required by the permit are well-organized and available for inspection.

Facility Site Review

The system and equipment appeared to be functioning properly during the walk-through of the facility. All permitted outlets are properly marked and adequate fencing surrounds the entire facility. In case of a spill, Snyder Environmental will perform the sewage spill remediation work.

Flow Measurement

This facility utilizes a Magmeter measurement device as its primary means of flow measurement. The primary flow measurement device is designed to meet permit requirements and is located where a representative measurement of actual flow can be obtained. Spare pen, charts and other parts are available on-site.

Laboratory

The facility uses HydroChem of Shenandoah Junction for their testing; however, it was not evaluated during this inspection.

Self-Monitoring Program

The facility appears to follow the appropriate sampling procedures and all necessary information is included in sampling documents. The required records appear satisfactory. Laboratory and accuracy of flow measurement were not evaluated during this inspection.

Effluent/Receiving Waters

The discharge monitoring reports received for the past 4 months were reviewed during this inspection. The facility did not exceed effluent limitations for any parameter during this period. The effluent was observed during the walk-through of the facility and it appeared satisfactory. No visible sludge, foam, plume, or odor was noted at the discharge outlet.

Compliance Schedule

No items in this section are applicable to this facility at this time.

Pretreatment

Currently there are no industrial users on this system.

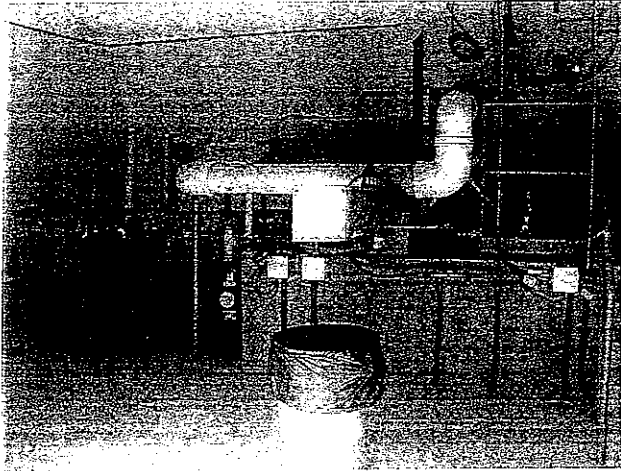


Figure 1: 7/8" Fine Screen & flow splitter

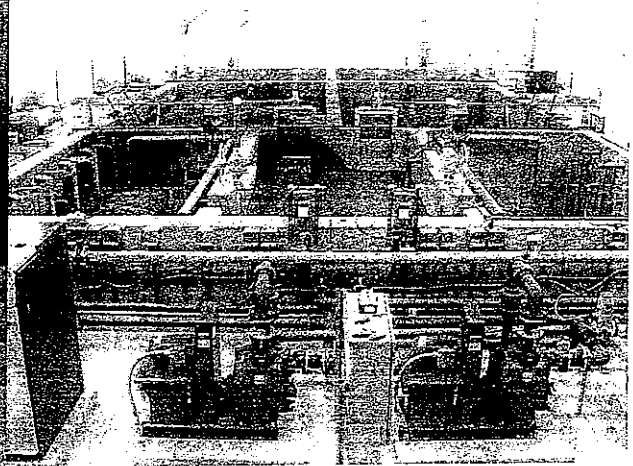


Figure 2: MBR Basins

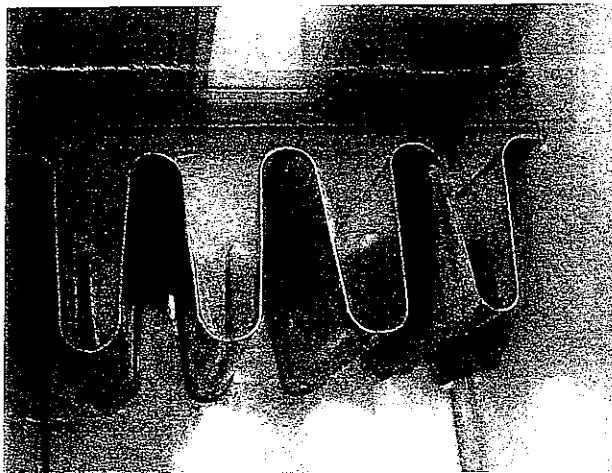


Figure 3: Effluent exiting the UV

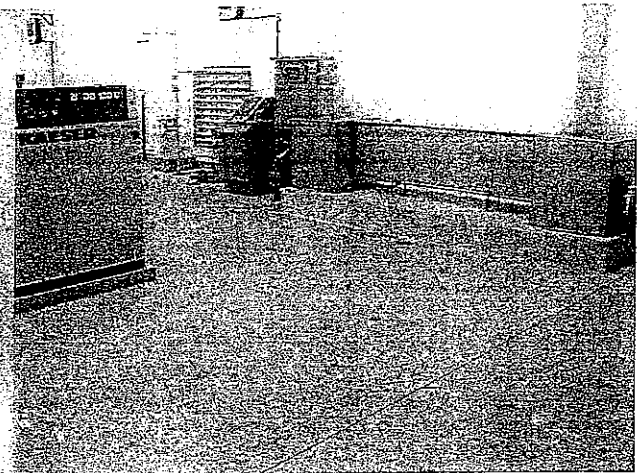
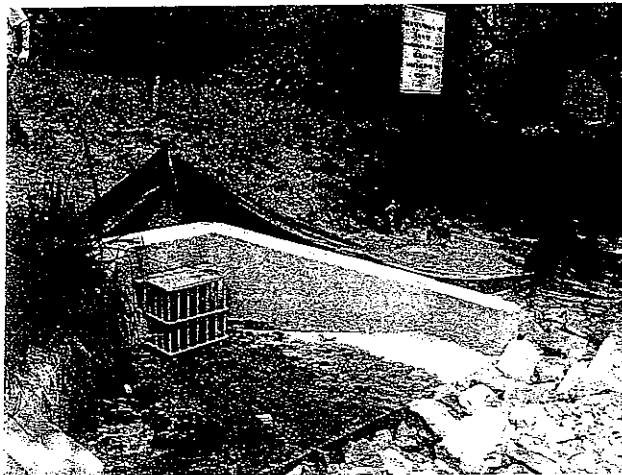


Figure 4: UV system



EPA Water Compliance Inspection Report

Section A: National Data System Coding (ie PCS)

| | | | | | | |
|----------------------|--|--------------------|-------------------------|----------------------|----------------|--------------------|
| Transaction N | Code 5 | NDPES WV0105724 | Mo/Day/Yr 07/17/2008 | Inspection Type C | Inspector S | Facility Type 2 |
| Remarks: | | | | | | |
| Inspection Work Days | Facility Self-Monitoring Evaluation Rating | B1 | QA | Reserved | | |
| 1 | 5 | N | N | | | |

Section B: Facility Data

| | | | |
|---|---|---|-----------------------------------|
| Name and Location of Facility Inspected: | Old Standard LLC Millville Rd Millville, WV 25432 | Entry Time: 12:30pm | Permit Effective Date: 3-17-2005 |
| Name(s) of On-Site Representatives(s) Titles/Phone and Fax Numbers: | Mike Mercer Contractor for the plant operations (304)279-3334: cell (304)724-4250: fax | Exit Time/Date: 2:15pm 10/17/08 | Permit Expiration Date: 2-15-2010 |
| Name, Address of Responsible Official/Title/Phone/Fax: | Herbert Jonkers PO Box 341 Millwood, VA 22646 | Contacted: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Other Facility Data: |

Section C: Areas Evaluated During Inspection

M - Marginal; N - No; N/A - Not Applicable; N/E - Not Evaluated; S - Satisfactory; U - Unsatisfactory; Y - Yes

| | | | | | | | |
|-----|------------------|-----|----------------------------|-----|---------------------|-----|--------------------------|
| S | Permit | S | Flow Measurement | N/E | Sampling | S | Operations & Maintenance |
| S | Records/Reports | N/E | Laboratory | N/A | Compliance Schedule | N/E | Sludge Disposal |
| S | Fac Site Review | S | Eff/ Rec. Waters Visual | S | Self-Monitoring | N/E | Pollution Prevention |
| S | Pretreatment | N/A | Stormwater | N/A | CSO/SSO | N/A | Multimedia |
| N/A | Groundwater Data | N/A | Unpermitted Bypass | | | | |

Section D: Summary of Findings / Comments (attach additional sheets if necessary):

This facility appears to be operating properly. The plant has been in service since March 2008.

Compliance Assistance (check all that apply): Troubleshooting Records/Reports Sampling

| | | |
|---|--|------------------------------|
| Name/Signature(s) of Inspectors(s) Michael Kanehl Sarah Woody | Agency/Office/Telephone/Fax WVDEP - HC 63 Box 2545 Romney, WV 26757 304-822-7266 304-822-3687 | Date 7-25-2008 7/25/08 |
| Signature of Management QA Reviewer Jack Fleshman | Agency/Office/Phone/Fax WVDEP - HC 63 Box 2545 Romney, WV 26757 304-822-7266 304-822-3687 | Date 7-25-08 |

Revised: October 2003

Sampling

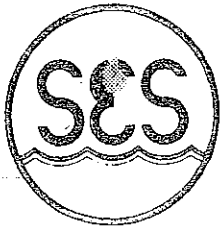
Sampling locations, methods, and frequencies conform to NPDES requirements. Sampling location and methods provide representative samples. Samples are taken in required containers and preserved as stated in 40 CFR, Part 136. Samples for fecal coliform and BOD appear to be taken using approved protocols. Chain-of-custody forms are maintained on-site and available for inspection.

Operations & Maintenance

All treatment units were operating properly at the time of inspection. Routine and preventative maintenance items are scheduled. Plant O&M manuals are onsite. As previously mentioned, auxiliary power is available. Spare parts for the equipment are available.

Sludge Disposal

The sludge is land applied on the Style's Farm in Rippon, WV. This site (WVSG10026) is permitted through Snyder Environmental, therefore this site was not evaluated.



SNYDER ENVIRONMENTAL SERVICES, INC.

-478-

270 Industrial Boulevard
Kearneysville, WV 25430
(304) 725-9140
FAX 728-7326

Contractors License
WV000270

October 22, 2008

Mr. Herb Jonkers, Manager
Old Standard LLC
P.O. Box 341
Millwood, VA 22646

Re: Sewer Service for Old Standard

Dear Herb:

I am writing in response to your request that I review the sewer service availability to the Old Standard Property at Millville, West Virginia.

As you know, Snyder Environmental Services constructed the Old Standard Waste Water Treatment Plant (WWTP) and continues to operate the WWTP.

Presently, the existing operating WWTP has a design capacity, with its present compliment of membranes, to treat 50,000 gallons of wastewater per day. The present plant can be readily expanded to treat 125,000 gallons per day by simply adding additional membrane cassette units in the existing tank with no other mechanical modification.

Old Standard has a load allocation to allow a discharge of up to 250,000 gallons per day by constructing an additional treatment facility adjacent to the existing WWTP. Actually, there is ample space and pipe capacity to expand the treatment capacity to a much higher capacity of easily 500,000 gallons per day. If anyone has questions regarding the present or future capacity of the Old Standard WWTP, please have them call me.

With best wishes,

Lee Snyder, President

October 22 ,2008

Mr. Herb Jonkers, Manager
Old Standard LLC
P.O. Box 341
Millwood, VA 22646

Re: Water Availability to Old Standard

Dear Herb:

I am writing in response to your request for water service for the development of the Old Standard Property at Millville, West Virginia.

Jefferson Utilities will be pleased to provide water service to the Old Standard Development. As you know, a 16" water line has been extended to the edge of the property. Jefferson Utilities has ample capacity to serve the proposed development of the entire property which we understand is to include a 250 unit extended stay hotel, a 100,000 square foot data center, a resort hotel, 200 condo units, additional data centers, and 2,000,000 square feet of office park/ research and development facilities.

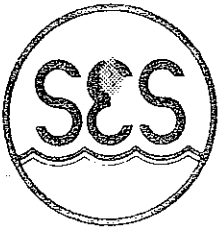
The extension of water service through the project will be in accordance with the Alternate Main Line Extension Agreement which is in place between Jefferson Utilities and Old Standard LLC.

We look forward to working with Old Standard to provide water service to a successful project.

With best wishes,



Lee Snyder, President



SNYDER ENVIRONMENTAL SERVICES, INC.

-480-

270 Industrial Boulevard
Kearneysville, WV 25430
(304) 725-9140
FAX 728-7326

Contractors License
WV000270

October 22, 2008

Mr. Herb Jonkers, Manager
Old Standard LLC
P.O. Box 341
Millwood, VA 22646

Re: Sewer Service for Old Standard

Dear Herb:

I am writing in response to your request that I review the sewer service availability to the Old Standard Property at Millville, West Virginia.

As you know, Snyder Environmental Services constructed the Old Standard Waste Water Treatment Plant (WWTP) and continues to operate the WWTP.

Presently, the existing operating WWTP has a design capacity, with its present compliment of membranes, to treat 50,000 gallons of wastewater per day. The present plant can be readily expanded to treat 125,000 gallons per day by simply adding additional membrane cassette units in the existing tank with no other mechanical modification.

Old Standard has a load allocation to allow a discharge of up to 250,000 gallons per day by constructing an additional treatment facility adjacent to the existing WWTP. Actually, there is ample space and pipe capacity to expand the treatment capacity to a much higher capacity of easily 500,000 gallons per day. If anyone has questions regarding the present or future capacity of the Old Standard WWTP, please have them call me.

With best wishes,

Lee Snyder, President



WEST VIRGINIA DEPARTMENT OF TRANSPORTATION

Division of Highways

1900 Kanawha Boulevard East • Building Five • Room 110
Charleston, West Virginia 25305-0430 • 304/538-3505

Joe Manchin III
Governor

December 18, 2006

Mr. Herbert Jonkers
Manager, Old Standard LLC
201 North George Street, Suite 202
Charles Town, West Virginia 25414

Dear Mr. Jonkers:

Enclosed is a proposed two-party agreement between the West Virginia Division of Highways and Old Standard LLC for the future installation of a new traffic signal system and future roadway improvements on US 340 at the intersection of US 340 with CR 27. These improvements, when built, will serve a 405 acres business park-hotel conference center complex, to be built adjacent to CR 27 (Millville Road) in Jefferson County.

The agreement sets forth the joint responsibilities of Old Standard LLC and the Division of Highways regarding the traffic signal and roadway work along US 340 and CR 27 (Millville Road). All three copies of the agreement should be executed and returned to this office for final execution by the Division of Highways. The date of the agreement will be the date it is executed by the Division; therefore, *the date space at the top of the first page of the agreement is to be left blank*. After the appropriate officials of the Division have affixed the necessary signatures, we will return one copy of the fully executed agreement for your files.

Should you have any questions regarding this matter, please feel free to contact Mr. Barry Warhoftig, Director of Traffic Engineering Division, at telephone (304) 558-3063.

Very truly yours,

Marvin G. Murphy, P. E., P.L.S.
State Highway Engineer

MGM:Ww

Enclosure

AGREEMENT

THIS AGREEMENT, made this 4th day of January, 2002, by and between the WEST VIRGINIA DEPARTMENT OF TRANSPORTATION, DIVISION OF HIGHWAYS, a Corporation, hereinafter referred to as "Department;" and OLD Standard LLC, hereinafter referred to as "Developer."

WITNESSETH

THAT WHEREAS, Developer will be requesting that a new traffic signal be installed in accordance with the traffic impact study submitted by the Developer and approved by the Department for the intersection of US 340 with CR 27,

WHEREAS, Developer will be requesting that Department design and construct roadway improvements on US 340 at its intersection with CR 27 in accordance with the traffic impact study, submitted by the Developer and approved by the Department,

WHEREAS, due to the fact that the necessity for constructing the traffic signal system at the above described location arises from traffic flowing into and out of the development and regulation of said traffic will benefit the patrons of said facilities, the Developer has indicated a desire to pay for the construction costs of installing such a traffic signal system, said contribution to be in the form of a donation to the State Road Fund and to be conditioned upon use of the entire amount thus donated for purposes hereinafter set forth; and

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, that for and in consideration of the mutual covenants herein entered into and mutual benefits to be derived by parties hereto, said Department and Developer do hereby agree that the following will be the duties and responsibilities of each party, respectively.

DUTIES AND RESPONSIBILITIES OF THE DEPARTMENT

The Department agrees:

1. To construct the left turn lane improvements along US 340 identified in the approved traffic impact study.

2. To prepare plans and specifications necessary for a project for the construction of the new traffic signal system described earlier, to let a contract for the erection thereof, and to supervise the installation of the same.
3. To program the intersection controller.
4. To perform properly all maintenance of the traffic signal system.

DUTIES AND RESPONSIBILITIES OF THE DEVELOPER

The Developer agrees:

1. To contribute, prior to the Department's approval to the contractor to proceed, a donation to the State Road Fund a sum of money equal to two hundred thousand dollars (\$200,000).
2. To construct all roadway improvements along CR 27 (Millville Road) identified in the traffic impact study approved by the Department prior to the traffic signal system being installed and activated.
3. That the terms of the agreement shall be binding upon successors and assigns.

IT IS FURTHER UNDERSTOOD AND AGREED BETWEEN DEPARTMENT AND DEVELOPER:

1. That the work agreed to be done by the Department in connection with the overall installation of the aforesaid traffic signal system shall be done in three phases, to wit:
 - a. The preparation of plans and specifications for a contract letting;
 - b. The advertising and acceptance of competitive bids on the contract;
 - c. The awarding of a contract for said traffic signal system and the supervision of the construction thereof.
2. That the construction cost of the aforesaid traffic signal system shall include contract bid amount, contract administration and inspection cost of Department personnel assigned to the project, and the cost of materials supplied from the Department's inventory to expedite the completion of the contract.
3. That upon completion of the installation of the traffic signal system, all equipment, poles, and other appurtenances necessary for the installation thereof, shall become the

property of Department.

- 4. That the Developer has not had, does not have now, and shall not have in the future, any responsibility in respect to the planning, design, construction, installation, or maintenance of said traffic signal system.
- 5. That the Developer grants the Department the right and privilege to enter upon such portions of the Developer's property located near the intersection for the purpose of constructing and maintaining the traffic signal and its appurtenances.

IN WITNESS WHEREOF the parties, hereto have caused their respective names to be signed by their duly authorized officers:

WITNESS:

WEST VIRGINIA DEPARTMENT OF
TRANSPORTATION
Division of Highways
A Corporation

Brenda Crowder
Title: Ex. Sec.

[Signature]
State Highway Engineer

WITNESS:

Old Standard LLC.

[Signature]
Title

[Signature]
Title

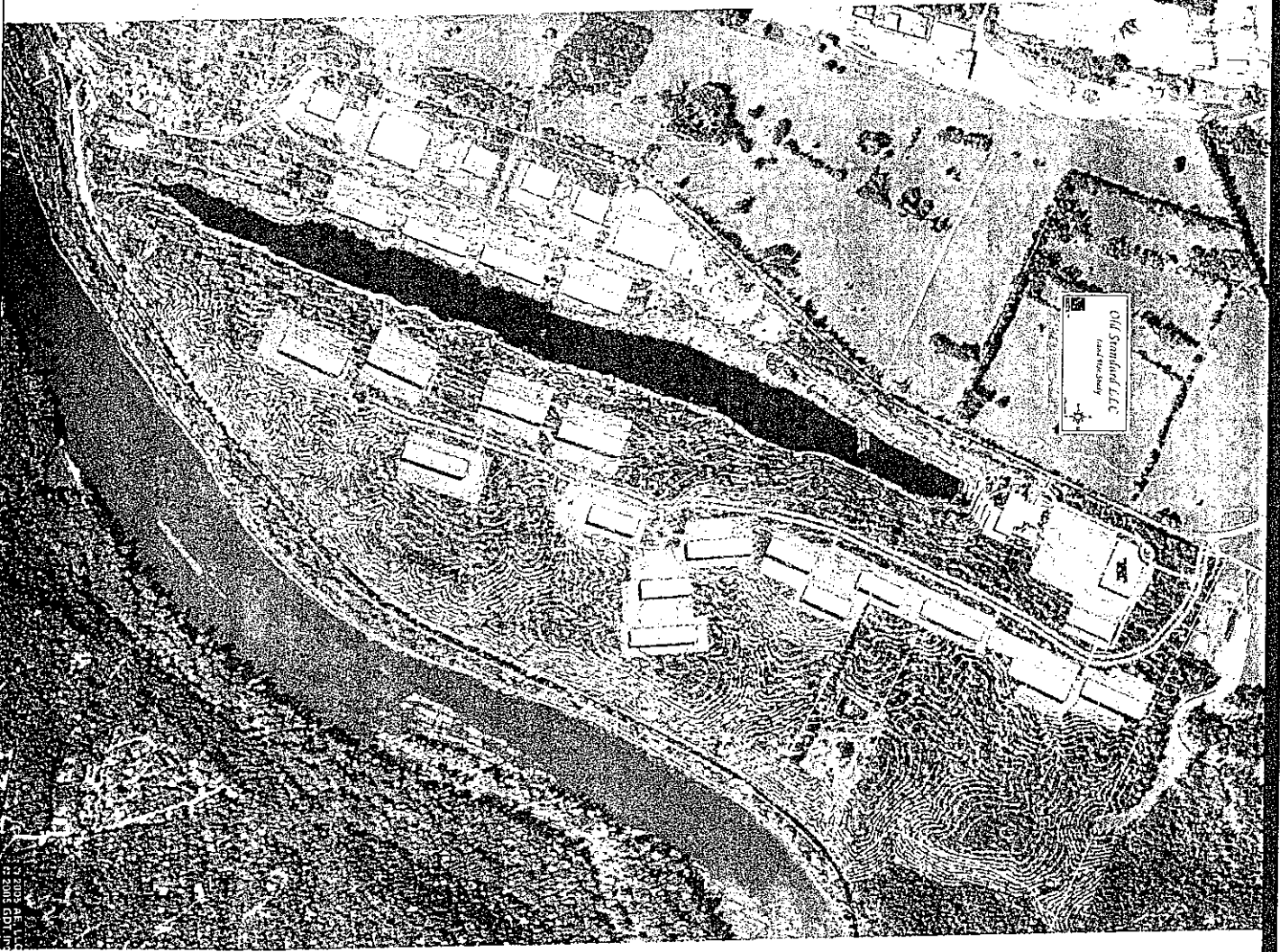
**Old Standard,
Bugler's Rest and
Alstadt's Corner**

**A Presentation in Support
of Annexation**

***Productive Reuse of Brownfields in a
Mixed-Use Development Where
West Virginians Can Live and Work***

Annexation Petition

- Total of approximately 638 Acres
 - 411 acres at the Old Standard Quarry
 - 70 acres at Bugler's Rest
 - 13 acres at Alstadt's Corner
 - 144 acres of existing public roads



12 11 10 9 8 7 6 5 4 3 2 1

Proposed Development

- 2 million square feet of office/employment centers
- 60,000 square foot signature office building
- 150 room hotel with 22,500 square foot conference center
- 7 retail pad sites at Route 340 and Millville Road
- 200 residential units maximum as an annexation condition

Productive Reuse of Brownfields

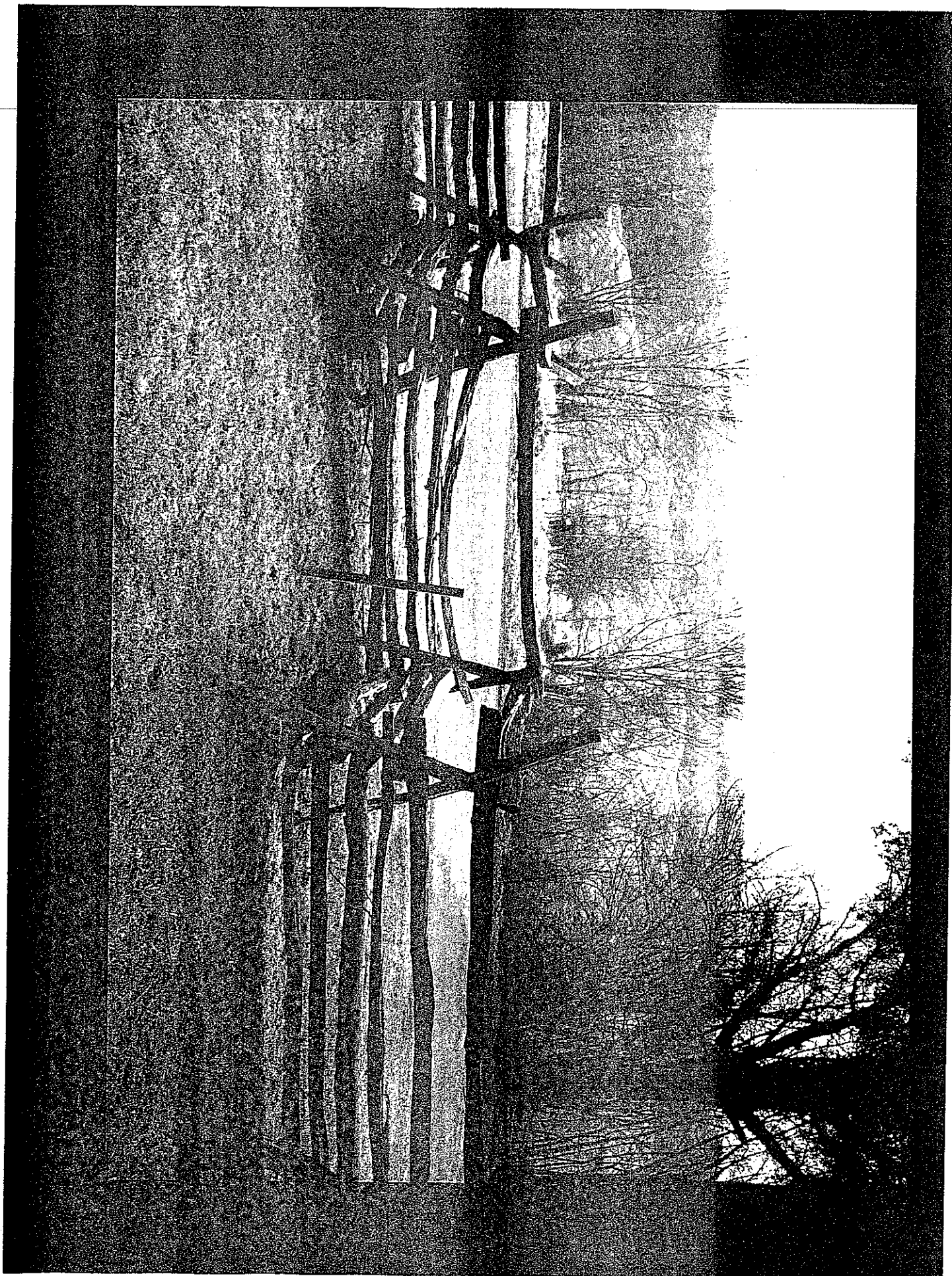
- Old Standard operated as a quarry from the 1880's until 1974
- Approximately 200,000 cubic yards of lime refractory material (burnt limestone or slag) are located on the site
- Site is moon-like in appearance, clearly visible from adjacent properties
- Office/employment campus is far more attractive and productive than current state

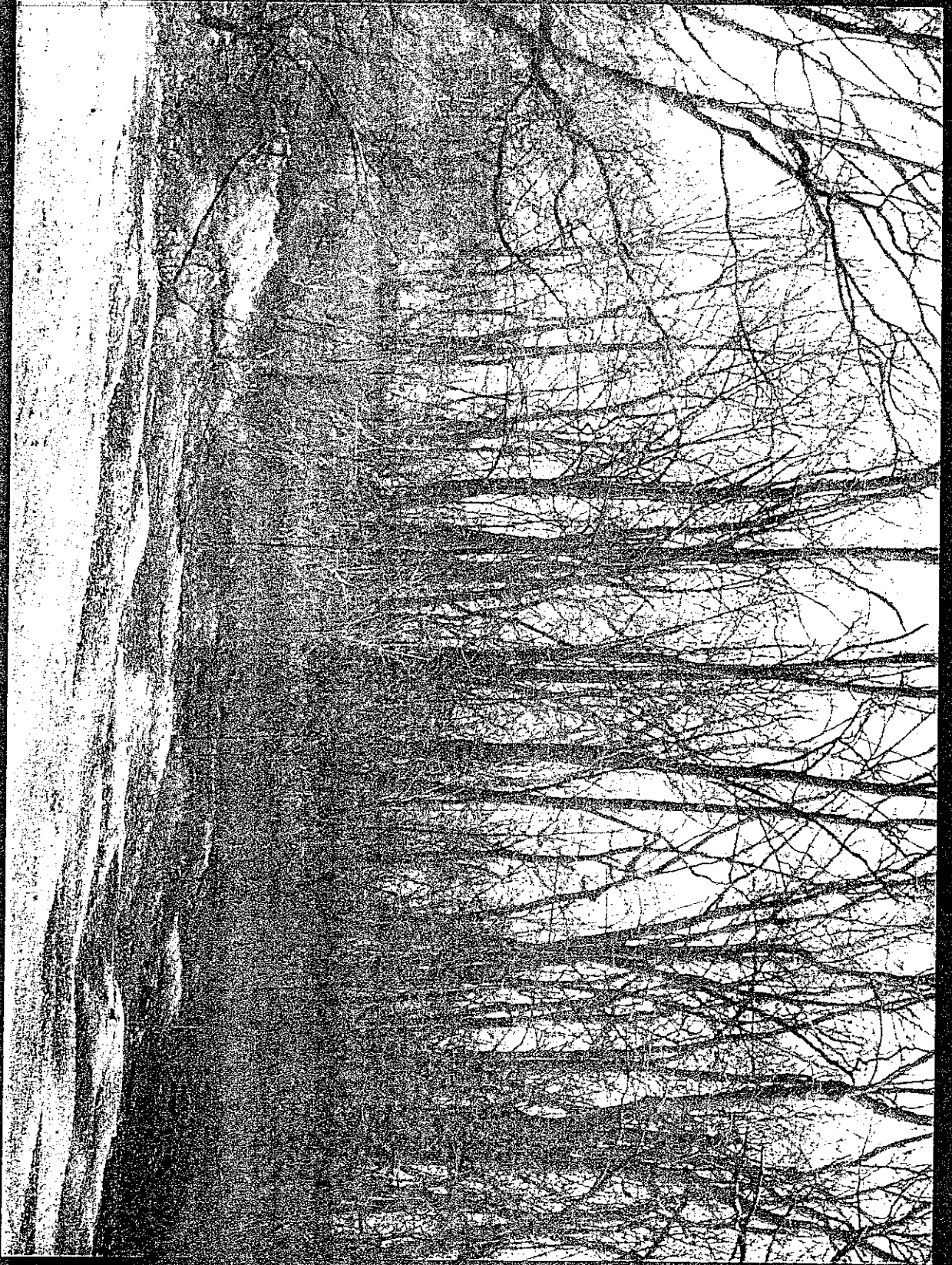
Will the Old Standard
Quarry will somehow harm
the adjacent properties
owned by the United States
Government?

PICTURES PAINT
A THOUSAND
WORDS

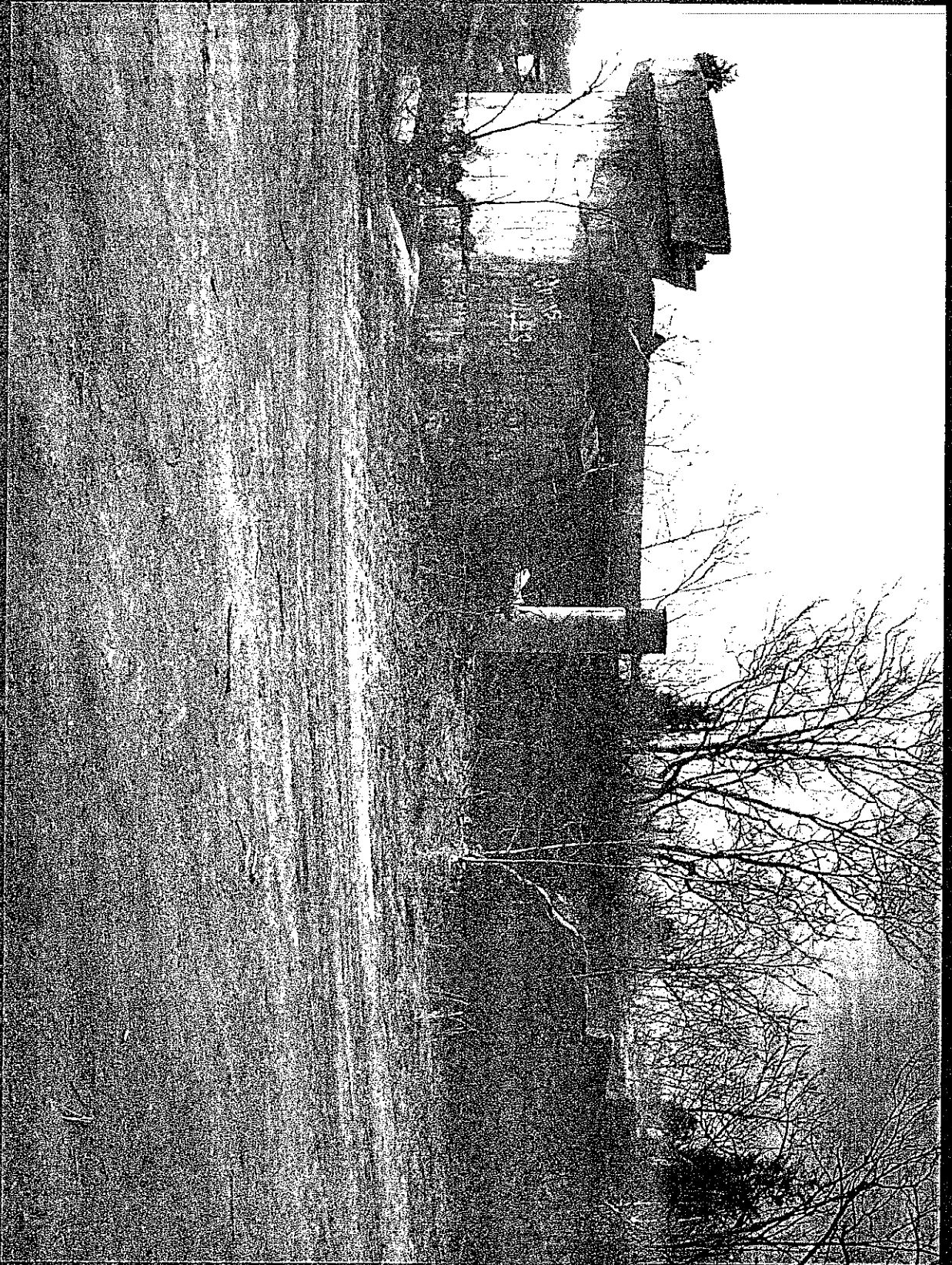




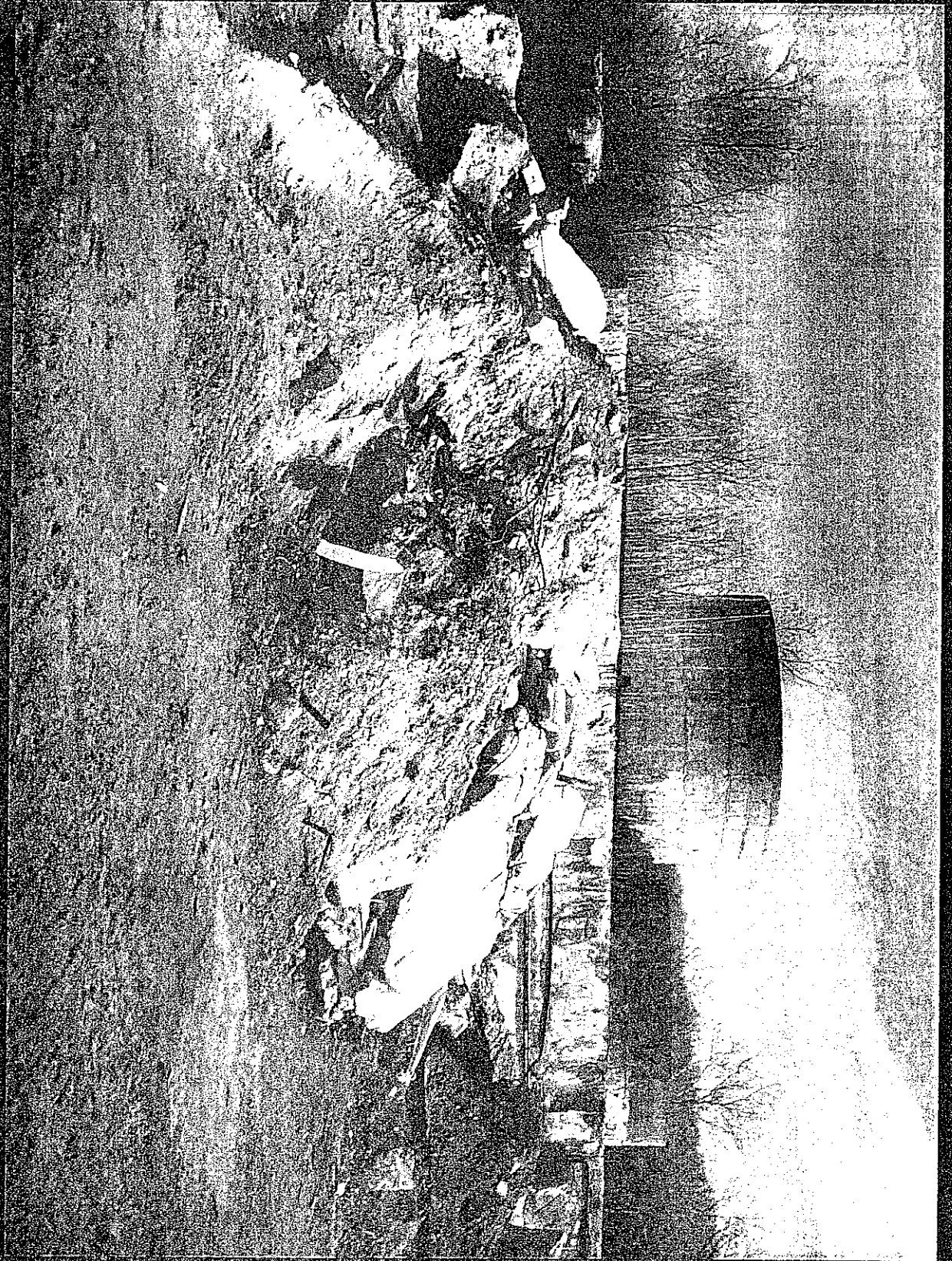


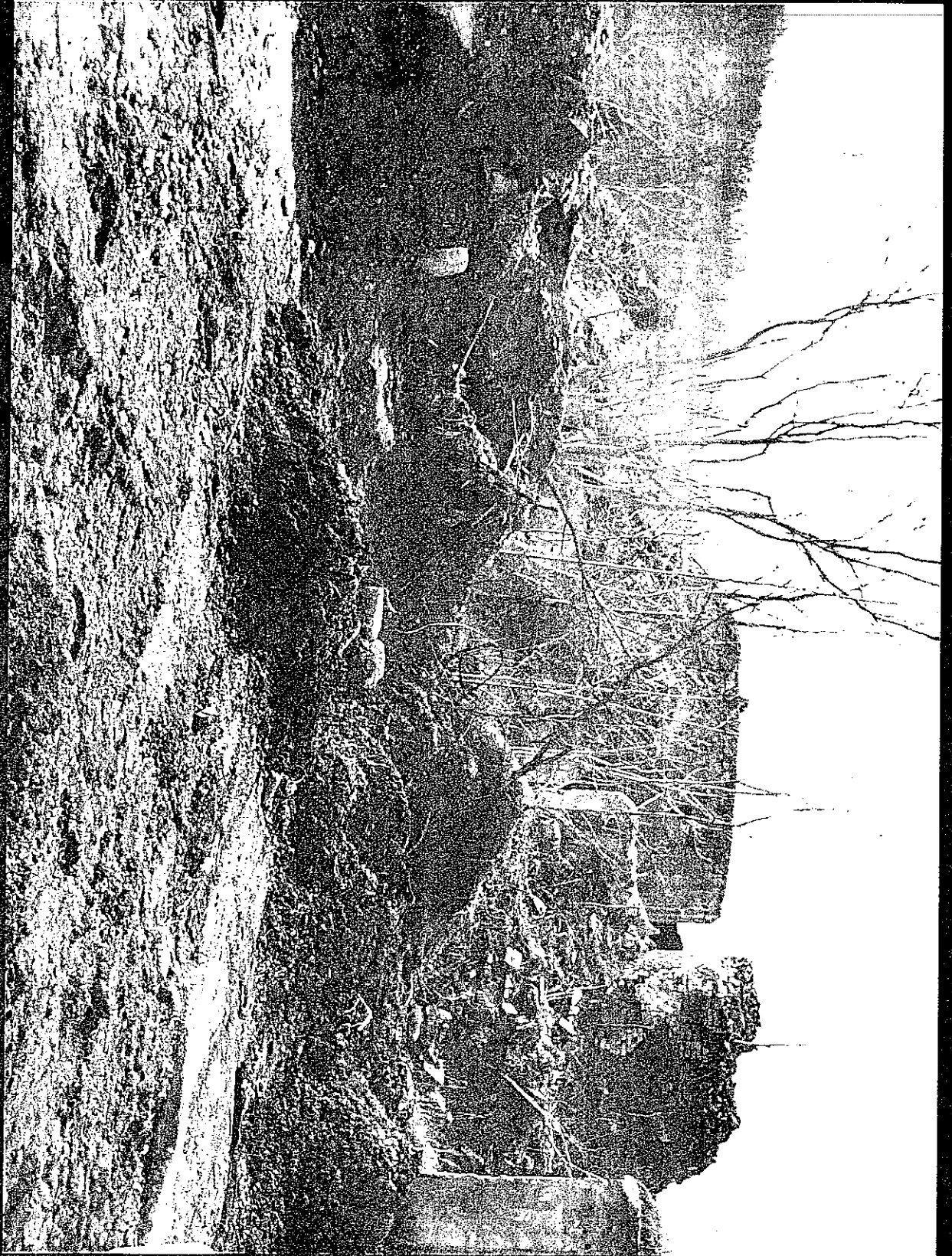


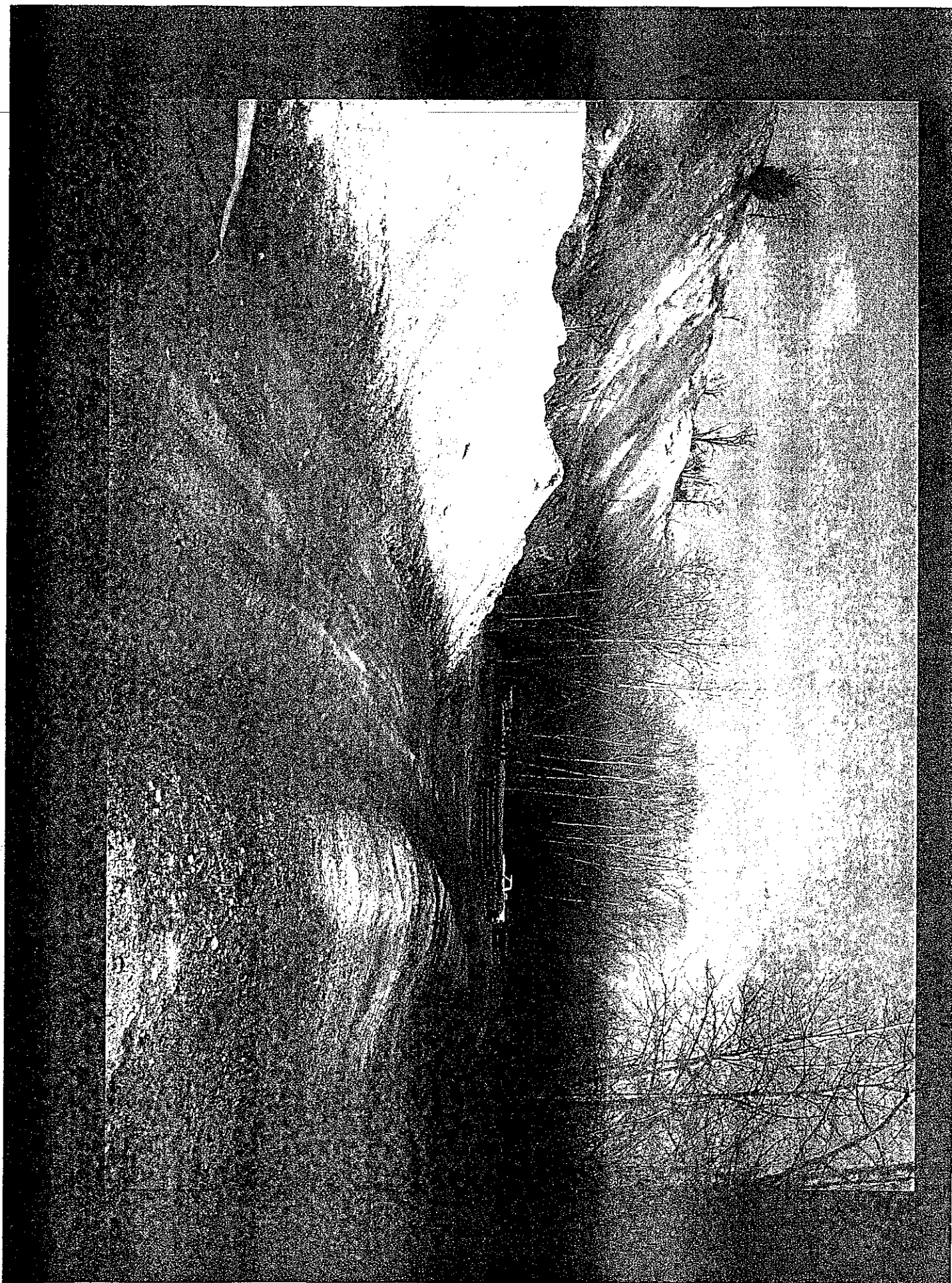












Old Standard Property: Permitted Use With Current Zoning

- 340 acres of the 411 acres of the Old Standard site zoned for 34 single-family homes using cluster development under the Jefferson County Zoning Ordinance
- Remaining 80 acres zoned for high-density residential use which equates to 1,600 dwelling units

Bugler's Rest Property: Permitted Use with Current Zoning

- Under the Jefferson County Zoning Ordinance, 70 acre site zoned for high-density residential use
- Provides for a maximum of 1,400 dwelling units, depending on the density selection made by the owner

Alstadt's Corner Property: Permitted Use

with Current Zoning

- Under the Jefferson County Zoning Ordinance, 13 acre site is zoned for high-density residential use
- 260 dwelling units permitted
- Grandfathered commercial use for a seasonal produce and flea market

Summary of Permitted Development under the Jefferson County Subdivision Ordinance

- 3,294 permitted dwelling units
 - 1,634 units on the Old Standard Property
 - 1,400 units on the Bugler's Rest Property
 - 260 units on the Alstad's Corner Property

Proposed Development with Conditions of Annexation

- As a condition of annexation, the applicants would limit residential development to a maximum of 200 residential units
- This limitation is 6% of the maximum density that is permitted pursuant to the current zoning
 - Less than .3 residential units for every acre annexed

Federal Government's

Review of the Old Standard Site

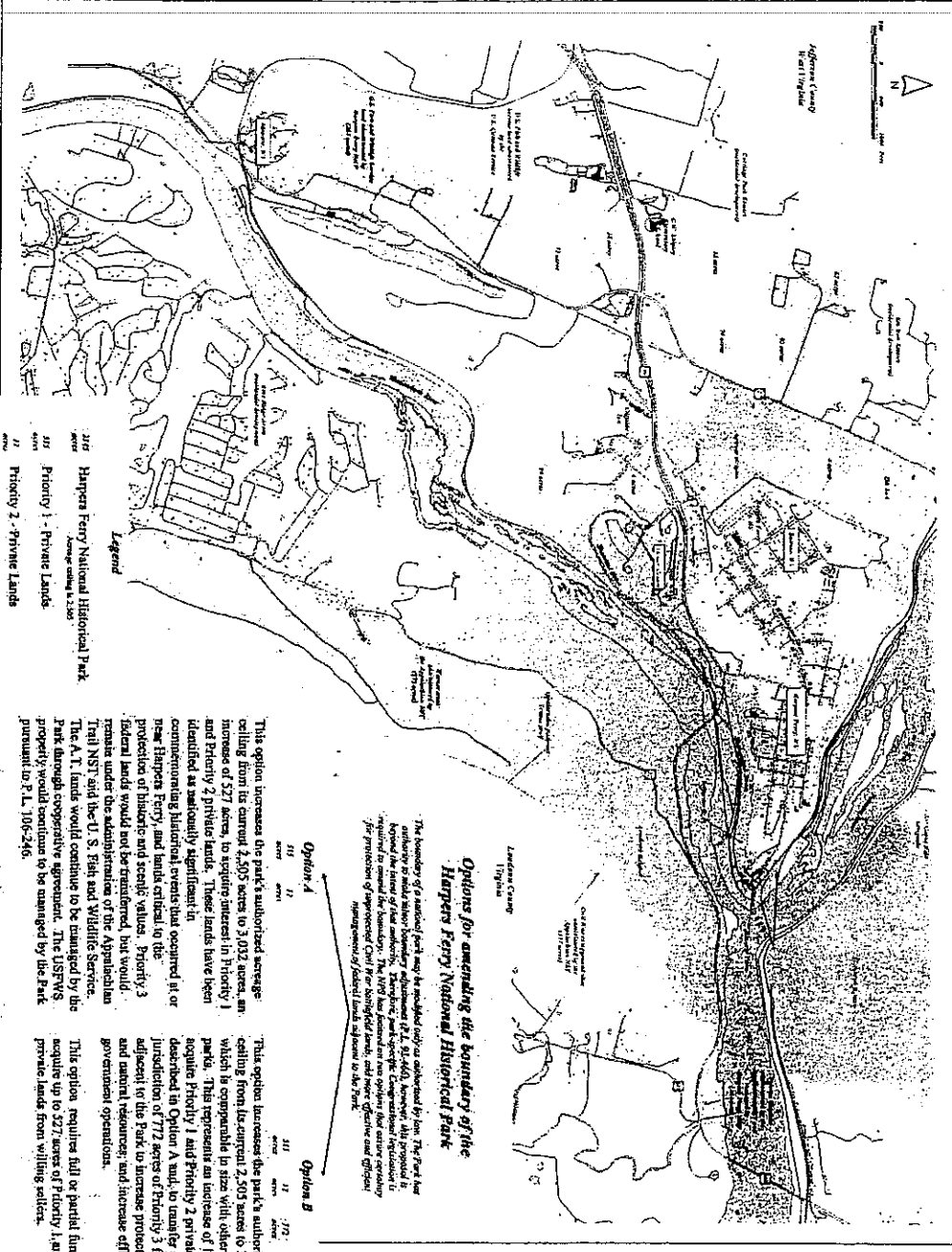
- U.S. Fish and Wildlife Service contracted to purchase the Old Standard Property in the late 1980's
 - Sought campus-like training facility similar to the current proposal
 - Abandoned the project because of required environmental remediation

National Park Service's

Review of the Old Standard Site

- 2002 Park Expansion Study identified virtually all of the properties around Harpers Ferry for expansion of the National Park
- The expansion study **SPECIFICALLY EXCLUDED** all the property which is the subject of this proposed annexation

The results
of the
Park Service Study:



Options for amending the boundary of the Harpers Ferry National Historical Park

The boundary of a national park may be modified only as authorized by law. The Park has authority to make minor boundary adjustments (P.L. 85-603, however, this proposal is required to amend the boundary). Therefore, a specific Congressional resolution is required to amend the boundary. The map has been prepared as an option for the Secretary of the Interior to submit to the President for his approval. The map is for informational purposes only and should not be used for any legal purpose.

Option A

11 acres
11 acres

This option increases the park's authorized acreage calling from its current 2,505 acres to 3,012 acres, an increase of 507 acres, to acquire interests in Priority 1 and Priority 2 private lands. These lands have been identified as nationally significant in commemorating historical events that occurred at or near Harpers Ferry, and lands critical to the protection of historic and scenic values. Priority 3 federal lands would not be transferred, but would remain under the administration of the Appalachian Trail NIST and the U.S. Fish and Wildlife Service. The A.T. lands would continue to be managed by the Park through cooperative agreement. The USFWS property would continue to be managed by the Park pursuant to P.L. 106-246.

Option B

11 acres
11 acres

This option increases the park's authorized acreage calling from its current 2,505 acres to 3,804 acres, which is comparable in size with other Civil War parks. This represents an increase of 1,299 acres to acquire Priority 1 and Priority 2 private lands described in Option A and to transfer administrative jurisdiction of 772 acres of Priority 3 federal lands adjacent to the Park to increase protection of cultural and natural resources, and increase efficiency of government operations.

This option requires full or partial funding to acquire up to 527 acres of Priority 1 and Priority 2 private lands from willing sellers.

This option requires full or partial funding to acquire up to 527 acres of Priority 1 and Priority 2 private lands from willing sellers.

Tim Gibson - President

Economic Development and Resulting Tax Benefit to the City of Charles Town

- Approximately 6,000 new jobs
- Approximately \$1 million in real estate and hotel room tax revenue will be generated annually to the City
 - With only 200 residential units burdening the City's resources

Economic Development and Resulting Tax Benefit to Jefferson County

- Approximately \$4.4 million in real estate tax revenue will be generated annually to the County when build-out is complete

Parks and Recreational Facilities to be Provided to the City and the County

- 20 acres of parks and recreational facilities to be provided, including 1.5 miles of Shenandoah Riverfront
 - Boat ramps
 - Toilet facilities
 - Park-like settings

received
4-17-07
COTE

BEFORE THE COUNTY COMMISSION OF JEFFERSON COUNTY, WEST
VIRGINIA

IN RE: Old Standard, LLC

PETITION FOR REZONING

COMES NOW, Old Standard, LLC by J. Michael Cassell, Esq. and James
P. Campbell, Esq. to present this Petition for Rezoning.

I. Request for Rezoning

Old Standard, LLC presents this Petition to Rezone the Old Standard Quarry
pursuant to Section 1.2, Jefferson County Zoning Ordinance, and Section 8A-7-9, West
Virginia Code as amended.

II. Description of the Property

The Old Standard Quarry property is located in the Harpers Ferry District of
Jefferson County, West Virginia. Old Standard is adjacent to Millville Road (Sec. Rt. 27)
and the Shenandoah River. It is described as Tax Map 11, Parcel 24.1 and Tax Map 9-2,
Parcel 50. A more particular description may be found in Deed Book 984 at page 501
and DB 998 page 555 recorded in the Office of the Clerk of the County Commission of
Jefferson County, West Virginia.

The Quarry property contains approximately 411 acres. The prior owners of the
Old Standard Quarry actively mined the property from the 1880's until 1974. The

Quarry site is now a lake approximately one mile long and approximately 400 feet wide at its widest point.

III. Concept Plans

Attached with Petition for Rezoning you will find two (2) Concept Plans showing the reuse of the Old Standard Quarry Property. Old Standard proposes to construct a premium business park which will contain two million square feet of office space, research and development space, and flex space at build-out. The Plan also includes a first class Hotel and Conference Center located at the north end of the Old Standard Quarry Lake. The hotel would be constructed in a step-down fashion to make use of the dramatic cliffs which border the lake.

One of the Concept Plans is an aerial photograph which contains the topographic gradations showing the steep cliffs along the lake and above the railroad line which runs parallel to the Shenandoah River. (Exhibit 1)

The second Concept Plan shows the extent of the transportation improvements proposed by Old Standard. Millville Road will be expanded to a four (4) lane access road to connect with the Signature Office Building and the Hotel.

IV. Development Plan

Old Standard will enter into a binding commitment to proceed with a development plan which would include offices, research and development, and flex space with a Hotel

(150 rooms and 23,000 sq. ft. for meeting and convention space.) There is no residential component in the Development Plan.

At build-out the business park would provide space for approximately 6,000 new jobs. The revenue generated through real estate taxes and hotel tax would be approximately \$4.4 million per year. Old Standard intends to proceed with the construction of the Hotel and the Signature Office Building as the first priority in the Development Plan.

V. Compatibility with Comprehensive Plan

According to the 1990 Census, approximately one-third of the residents of Jefferson County commuted to another location to go to work. By the 2000 Census, the commuting population had increased to over fifty percent. By all information, the commuting population continues to increase causing our residents to drive 30, 40, or 50 miles each way to work. It is imperative for Jefferson County to look to the future to create a framework within which new employers may locate here. Old Standard intends to contact various high-tech and white collar employers in the Washington – Baltimore Metropolitan area.

It is now necessary for many government agencies and contractors to have facilities outside a fifty mile radius beyond the District of Columbia. The Old Standard Business Park would serve as an important project for Jefferson County to attract new employers looking for premium space for their business.

The Jefferson County Comprehensive Plan recognizes that economic development should be encouraged to provide an opportunity for our residents to live and work in Jefferson County. One of the fundamental policies of the Comprehensive Plan is stated as follows at page 8:

“This Plan encourages economic development so that residents can live and work in the county.”

The Comprehensive Plan also encourages growth and development in its statement of goals at page 19:

“Encourage growth and development in areas where water, sewer, schools, and other public facilities are available or can be provided without unreasonable costs to the community.”

“Promote growth and development that are both economically and environmentally sound.”

“Encourage and support commercial, industrial, and agricultural activities to provide a diversified and sound local economy.”

Recommendation 3.18, page 64, states as follows:

“The County should continue to pursue new industrial and commercial development in order to diversify its economy, increase the tax base and thereby mitigate the problems of increasing Residential Growth and provide quality employment opportunities to its workforce.”

The Old Standard business park will accommodate up to 6,000 new jobs at build-out. The property will remain on the County’s tax rolls as commercial property. The creation of a diversified economy and thousands of new local jobs meet the goals of the Comprehensive Plan to create economic development without a residential component.

VI. Transportation Improvements

Old Standard will construct traffic signals at the intersection of Millville Road and US Rt. 340. Old Standard will improve Millville Road from US Rt. 340 to the business park. This access will be a four lane access road that connects with the internal roads in the business park. Both of these improvements will be completed under the supervision of the West Virginia Division of Highways. The Old Standard, LLC Quarry Traffic Impact Study prepared by Greenhorne and O'Mara dated January 16, 2007 is attached as Exhibit 3. The Traffic Impact Study recommends the above-described improvements which have been improved by the Division of Highways.

VII. Water and Sewer Improvements

Water and sewer lines are already available on the property at no expense to the County. Jefferson Utilities will provide water to the property. Old Standard is now constructing a membrane biotechnology plant which will comply with the expected Chesapeake Bay standards. This plant will be transferred to the Jefferson County Public Service District for \$1.00. The effluent from the Plant will be released to the Shenandoah River. This effluent will be cleaner than the water in the Shenandoah River. No effluent will be discharged to the Old Standard Quarry Lake. The lake will continue to be protected as a valuable resource.

VIII. Recreation Component

Old Standard will create a river side park between the railroad property and the Shenandoah River with approximately 1.4 miles of river frontage. Old Standard will

improve this park land with restrooms, picnic tables, fire pits, and a hiker/biker trail. Old Standard proposes that the public will have free and open access to the river side park but Old Standard will retain Title to the property which will keep the property on the tax rolls. The hiker/biker trail will connect with the business park for use by those people working in the business park. The trail could also be coordinated with other adjacent properties.

IX. Old Standard is in the Rural District and the Residential Growth District

The Old Standard Quarry now has two separate zoning designations. At the north end of the property just north of the lake, an 80 acre parcel is zoned for High Density Residential Use. If Old Standard were to develop this property as it currently zoned and construct housing on eighty acres, there could be 1600 residential units constructed on the property pursuant to the Zoning Ordinance.

The remaining 330 acres of the Old Standard property is in the Rural District. If Old Standard were to cluster development 33 single family homes could be constructed on the property. This means that 1633 residences could be constructed on the Old Standard Property as it is currently zoned.

X. Rezone the Old Standard Quarry for Commercial Uses

The Old Standard property has never been suitable for the Rural District. Since the 1880's it has been a quarry and an industrial site which produced burned limestone to make steel, stone aggregate, and other products.

The mining and manufacturing operations created massive amounts of material which remain on the site. Anyone who has traveled down Millville Road can see the huge white and gray piles of material between the road and the lake. These piles of material are burned limestone discarded during the process used to make a steel additive. Over the years, massive amounts of limestone and fill from the quarry have been deposited on the east and north side of the lake in an area running approximately two-thirds the length of the lake.

As a result of this intensive mining and manufacturing process, the West Virginia Department of Environmental Protection classified the entire Old Standard Property as a "Brownfield". Old Standard entered into a Voluntary Remediation Program with the DEP. Old Standard has completed the Remediation of 300 acres east and north of the lake.

Old Standard will complete the Remediation Program in a timely fashion. It is important to note that the burned limestone material is inert and poses no risk or hazard to anyone. Old Standard will clear all of the ruined buildings. All concrete and brick material will be ground up for reuse. The steel will be removed. Old Standard intends to reuse the burned limestone as fill material.

Jefferson County used the Old Standard property as a dump until 1962. The Landfill was located on the east side of the lake. In 1962 the Department of Health ordered Jefferson County to close the Landfill. The Department of Health also ordered the County to cap the Landfill with the burned limestone material located on site.

Massive amounts of fill from the Quarry and burned limestone material are now stored on both sides of the lake.

The Old Standard Quarry Property was a mining and industrial site for almost 100 years. The property contains steep ravines and steep cliffs. Rock out-croppings are the most prominent feature of the topography. As such, the Old Standard Quarry Property is ill-suited for the of the Permitted Uses in the Rural District.

The inclusion of the Old Standard Quarry in the Rural District is an error which should now be corrected. The intensive mining and manufacturing uses and the steep topography of the property create difficulties for a productive reuse of the quarry within the confines of the Principal Permitted Uses in the Rural District.

Old Standard requests this rezoning as a remedy to correct the erroneous zoning designation now applicable to the property. This Rezoning Request also directly addresses the reuse of an important Brownfield property. Old Standard is committed to complete the Remediation through the development of the Old Standard Business Park.

XI. Conclusion.

The Old Standard Rezoning will accomplish many goals including:

1. Creation of a premium business park which will accommodate 6,000 jobs at build-out.
2. Remediation of a large "Brownfield" pursuant to WVDEP Voluntary Remediation Program.
3. Real Estate and Hotel Taxes of approximately \$4.4 million dollars

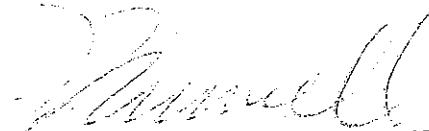
per year at build-out.

4. Transportation improvements: stop light on US Route 340 and expanded Millville Road.

5. Riverside Park containing approximately 1.4 miles of frontage on the Shenandoah River.

6. Central water and membrane biotechnology waste water treatment plant at the site.

Old Standard respectfully requests that the County Commission refer this Petition for Rezoning to the Jefferson County Planning Commission to address the compatibility of this Petitioner with the Comprehensive Plan.



**J. Michael Cassell, Esq. (WVSB# 670)
James P. Campbell, Esq. (WVSB# 609)
Campbell Miller Zimmerman
201 N. George Street Ste 200
Charles Town, West Virginia 25414
304-725-5325/telephone
304-724-8009/facsimile**

207-02

-523-
RG
TR

JEFFERSON COUNTY, WEST VIRGINIA

Departments of Planning and Zoning

104 East Washington Street
P.O. Box 338
Charles Town, West Virginia 25414

Email: planningdepartment@jeffersoncountywv.org

Phone: 304-728-3228

Fax: 304-728-8126

DATE: 4 June 2007

TO: Planning Commission Members

FROM: Sherry Kelly, Acting Chief Planner/Zoning Administrator

RE: Staff Report for Rezoning Request - Old Standard Quarry

A request for rezoning as been submitted for the property known as Old Standard Quarry, identified as Tax Map 9-2, Parcel 50, consisting of 1.5 acres, and Tax Map 11, Parcel 24.1, consisting of 406.54 acres. The property is located near Route 340 on Millville Road and borders the Shenandoah River. The applicant is requesting the property to be rezoned from Residential Growth and Rural to Industrial/Commercial.

Although the current owner for this rezoning has presented a proposed development plan for the property, if it is rezoned to Industrial/Commercial, any use listed in that district will be permitted. Therefore, the zoning district itself, not the proposed project, must be evaluated for compatibility with the comprehensive plan.

In the Statement of Goals, the Comprehensive Plan calls for the following, most of which apply to the rezoning request and will be addressed:

- Encourage growth and development in areas where sewer, water, schools, and other public facilities are available or can be provided without unreasonable cost to the community;
- Promote growth and development that are both economically and environmentally sound;
- Promote the maintenance of an agricultural base in the County at a level sufficient to encourage the continued viability of farming in all its various forms;
- Encourage and support commercial, industrial, and agricultural activities to provide a diversified and sound local economy;
- Promote the conservation of the natural, cultural, and historical resources and the preservation of (sic) scenic beauty;
- Advocate the maintenance and improvement of transportation systems so that people and goods can move safely and efficiently throughout the County;
- Promote a diversity of housing within the County;
- Support and protect private property rights while supporting and protecting overall public health, safety, and general welfare;