THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

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THE TOWN OF BEVERLY

SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA INFRASTRUCTURE FUND)

BOND ORDINANCE

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THE TOWN OF BEVERLY

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE TOWN OF BEVERLY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN $300,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE TOWN OF BEVERLY:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation"), is enacted pursuant to the provisions of Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. The Town of Beverly (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Randolph County of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and

improvements to the existing public sewerage system of the Issuer, consisting of an extension along King Runs Road and Route 219/250 to serve approximately 19 customers, together with all appurtenant facilities (collectively, the "Project") (the existing public sewerage system of the Issuer, the Project and any further additions, betterments and improvements thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The Issuer intends to permanently finance a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia Infrastructure Fund pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), in the total aggregate principal amount of not more than $300,000 (the "Series 1997 A Bonds"), to be initially represented by a single bond, to permanently finance costs of acquisition and construction of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Such costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Series 1997 A Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 1997 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 1997 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 1997 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 40 years.

F. It is in the best interests of the Issuer that its Series 1997 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the Council, in form satisfactory to the Issuer and the Authority, to be approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank either on a parity with or junior and subordinate to the Series 1997 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's Sewer Revenue Bonds, Series 1982 A (the "Series 1982 A Bonds"), dated October 28, 1982, issued in the original aggregate principal amount of $285,000, and the Sewer Revenue Bonds, Series 1982 B (the "Series 1982 B Bonds"), dated October 28, 1982, issued in the original aggregate principal amount of $86,500, (collectively, the "Prior Bonds").

The Series 1997 A Bonds shall be issued on a parity with the Series 1982 A Bonds and senior and prior to the Series 1982 B Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has met the coverage requirements for issuance of parity bonds of the Series 1982 A Bonds and the ordinance authorizing the Series 1982 A Bonds and has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature. Prior to the issuance of the Series 1997 A Bonds, the Issuer will obtain the written consent of the Holders of the Series 1982 A Bonds to the issuance of the Series 1997 A Bonds on a parity with the Series 1982 A Bonds. Prior to the issuance of the Series 1997 A Bonds, the Issuer will obtain the written consent of the Holders of the Series 1982 B Bonds to the issuance of the Series 1997 A Bonds on a senior and prior basis to the Series 1982 B Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

H. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System, the principal of and interest on the Bonds (as hereinafter defined) and payments into all funds and accounts and other payments provided for herein and in the Prior Ordinance, all as such terms are hereinafter defined.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 1997 A Bonds, or will have so complied prior to issuance of any thereof, including, if necessary, the obtaining of a certificate of convenience and necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 1997 A Bonds or such final order will not be subject to appeal.

J. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and the System; 95% or more of the Net Proceeds of the Series 1997 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the Issuer, all subordinate entities, all entities which issue

obligations on behalf of the Issuer, and all entities formed or, to the extent provided under Section 148 of the Code, herein defined, availed of, to avoid the purposes of Section 148(f)(4)(D) of the Code and all other entities benefiting thereby reasonably expect to issue less than $5,000,000 aggregate principal amount of tax-exempt obligations (other than private activity bonds) during the calendar year in which the Series 1997 A Bonds are to be issued.

K. Pursuant to the Act, the West Virginia Infrastructure and Jobs Development Council (the "Council") has approved the Project and has authorized the Authority to make a loan to the Issuer from the West Virginia Infrastructure Fund.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 1997 A Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means, collectively, Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 1997 A Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"Authorized Officer" means the Mayor of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Governing Body.

"Bond Construction Trust Fund" means the Bond Construction Trust Fund established by Section 5.01 hereof.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Bond Legislation," "Ordinance," "Bond Ordinance" or "Local Act" means this Bond Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory hereof.

"Bond Registrar" means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

"Bonds" means, collectively, the Series 1997 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Closing Date" means the date upon which there is an exchange of the Series 1997 A Bonds for the proceeds or at least a de minimis portion thereof representing the purchase price of the Series 1997 A Bonds from the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations.

"Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Consulting Engineers" means Chapman Technical Group, St. Albans, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System, or portion thereof, in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02D hereof to be a part of the cost of acquisition and construction of the Project.

"Council" means the West Virginia Infrastructure and Jobs Development Council or any successor thereto.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"Fiscal Year" means each 12-month period beginning on July 1 and ending on the succeeding June 30.

"Governing Body" means the council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the council as presently constituted.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America.

"Grant" means all moneys received by the Issuer on account of any Grant.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided, that "Gross Revenues" does not include any gains from the sale or other disposition of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

"Herein," "hereto" and similar words shall refer to this entire Bond Legislation.

"Independent Certified Public Accountants" means any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract, investment-type property or residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan, excluding, however, obligations the interest on which is excluded from gross income, under Section 103 of the Code, for federal income tax purposes other than specified private activity bonds as defined in Section 57(a)(5)(C) of the Code.

"Issuer" means The Town of Beverly, a municipal corporation and political subdivision of the State of West Virginia, in Randolph County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, into between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 1997 A Bonds from the Issuer by the Authority, the form of which

shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 1997 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 1997 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 1997 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

"Net Revenues" means the balance of the Gross Revenues, remaining after deduction of Operating Expenses, as hereinafter defined.

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds or any other proceeds of the Series 1997 A Bonds and is not acquired in order to carry out the governmental purpose of the Series 1997 A Bonds.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding," when used with reference to Bonds or Prior Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond or Prior Bond cancelled by the Bond Registrar or Registrar for Prior Bonds, at or prior to said date; (ii) any Bond or any Prior Bond for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; (iv) any Prior Bond deemed to have been paid; and (v) for purposes of consents or other action by a specified percentage of Bondholders or Holders of any Prior Bond, any Bond or any Prior Bond registered to the Issuer.

"Parity Bonds" means additional Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or such other entity or authority as may be designated as a Paying Agent for the Series 1997 A Bonds by the Issuer in the Supplemental Resolution.

"Prior Bonds" means, collectively, the Issuer's Sewer Revenue Bonds, Series 1982 A, dated October 28, 1982, issued in the original aggregate principal amount of $285,000, and the Sewer Revenue Bonds, Series 1982 B, dated October 28, 1982, issued in the original aggregate principal amount of $86,500.

"Prior Ordinance" means, collectively, the ordinance of the Issuer enacted October 17, 1980, and the resolutions of the Issuer adopted June 10, 1982, June 24, 1982, and October 26, 1982, authorizing the issuance of the Prior Bonds.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, or in any activity carried on by a person other than a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, excluding, however, use by a state or local governmental unit and use as a member of the general public. All of the foregoing shall be determined in accordance with the Code, including, without limitation, giving due regard to "incidental use," if any, of the proceeds of the issue and/or proceeds used for "qualified improvements," if any.

"Project" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes any of the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia State Board of Investments pursuant to Chapter 12, Article 6 of the West Virginia Code of 1931, as amended; and

(i) Obligations of States or political subdivisions or agencies thereof, the interest on which is exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Recorder" means the Recorder of the Issuer.

"Registered Owner," "Bondholder," "Holder" or any similar term means whenever used herein with respect to an outstanding Bond or Bonds, the person in whose name such Bond is registered.

"Registrar" means the Bond Registrar.

"Regulations" means temporary and permanent regulations promulgated under the Code, or any predecessor thereto.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinance and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Prior Bonds and the Series 1997 A Bonds.

"Revenue Fund" means the Revenue Fund created by the Prior Ordinance and continued hereby.

"Series 1982 A Bonds" means the Issuer's Sewer Revenue Bonds, Series 1982 A, dated October 28, 1982, issued in the original principal amount of $285,000.

"Series 1982 B Bonds" means the Issuer's Sewer Revenue Bonds, Series 1982 B, dated October 28, 1982, issued in the original principal amount of $86,500.

"Series 1997 A Bonds" means the not more than $300,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), of the Issuer, authorized by this Ordinance.

"Series 1997 A Bonds Reserve Account" means the Series 1997 A Bonds Reserve Account established in the Series 1997 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1997 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 1997 A Bonds in the then current or any succeeding year.

"Series 1997 A Bonds Sinking Fund" means the Series 1997 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds established for the Prior Bonds and the Series 1997 A Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 1997 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 1997 A Bonds, and not so included may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds, including any Reserve Accounts and the Renewal and Replacement Fund.

"System" means collectively, the complete existing municipal sewage system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever, both within and without the Issuer.

"Tap Fees" means the fees, if any, paid by prospective customers of the System in order to connect thereto.

"West Virginia Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Chapter 31, Article 15A, Section 9 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

Additional terms and phrases are defined in this Ordinance as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $742,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 1997 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the Council.

The cost of the Project is estimated not to exceed $742,000, of which approximately $300,000 will be obtained from proceeds of the Series 1997 A Bonds, approximately $312,000 will be obtained from proceeds of a grant from the Council, approximately $50,000 will be obtained from proceeds of a grant from the Governor's Partnership Grant Program, and approximately $80,000 will be obtained from funds of the Issuer.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 1997 A Bonds, funding a reserve account for the Series 1997 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 1997 A Bonds of the Issuer. The Series 1997 A Bonds shall be issued as a single bond, designated "Sewer Revenue Bond, Series 1997 A (West Virginia Infrastructure Fund)", in the principal amount of not more than $300,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 1997 A Bonds remaining after funding of the Series 1997 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 1997 A Bonds, if any, shall be deposited in or credited to the Bond Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 1997 A Bonds shall be issued in such principal amounts, shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates, shall mature on such dates and in such amounts, and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 1997 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 1997 A Bonds shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 1997 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 1997 A Bonds, all as provided in the Supplemental Resolution. The Series 1997 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. The Bonds shall be dated as of the date specified in a Supplemental Resolution and shall bear interest from the date so specified therein.

Section 3.03. Execution of Bonds. The Series 1997 A Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed the Series 1997 A Bonds shall cease to be such officer of the Issuer before the Series 1997 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 1997 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 1997 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 1997 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 1997 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 1997 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 1997 A Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 1997 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 1997 A Bonds or transferring the registered Series 1997 A Bonds are exercised, all Series 1997 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 1997 A Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 1997 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 1997 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 1997 A Bonds or, in the case of any proposed redemption of Series 1997 A Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 1997 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 1997 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 1997 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1997 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of all Series 1997 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Series 1982 A Bonds and senior and prior to the lien on the Net Revenues in favor of the Holders of the Series 1982 B Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 1997 A Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 1997 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 1997 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 1997 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 1997 A Bonds to the original purchasers;

C. An executed and certified copy of the Bond Legislation;

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 1997 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 1997 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE TOWN OF BEVERLY
SEWER REVENUE BOND,
SERIES 1997 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That THE TOWN OF BEVERLY, a municipal corporation and political subdivision of the State of West Virginia in Randolph County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 199____, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference, with no interest.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 199____.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage system

of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on _____, 199____, and a Supplemental Resolution duly adopted by the Issuer on _____, 199____ (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1982 A (THE "SERIES 1982 A BONDS"), DATED OCTOBER 28, 1982, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $285,000, AND SENIOR AND PRIOR WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S SEWER REVENUE BONDS, SERIES 1982 B (THE "SERIES 1982 B BONDS"), DATED OCTOBER 28, 1982, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $86,500 (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the Holders of the Series 1982 A Bonds and senior and prior to the pledge of Net Revenues in favor of the Holders of the Series 1982 B Bonds, and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1997 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 1997 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with or junior to the Bonds, including the Prior Bonds; provided however, that so long as there

exists in the Series 1997 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding prior to or on a parity with or junior to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest, if any, on this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, THE TOWN OF BEVERLY has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated _____, 199____.

[SEAL]

_____
Mayor

ATTEST:

_____
Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1997 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 1997.

ONE VALLEY BANK,
NATIONAL ASSOCIATION,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$		(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 1997 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the Recorder is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. "Amended Schedule B" Filing. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority a schedule in substantially the form of the "Amended Schedule B" to the Loan Agreement, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Ordinance) and shall be held by the Depository Bank, separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

(1) Revenue Fund (established by the Prior Ordinance);

(2) Renewal and Replacement Fund (established by the Prior Ordinance); and

(3) Bond Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Ordinance) and shall be held by the Commission, separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

(1) Series 1982 A Bonds Sinking Fund (established by the Prior Ordinance);

(2) Within the Series 1982 A Bonds Sinking Fund, the Series 1982 A Bonds Reserve Account (established by the Prior Ordinance);

(3) Series 1982 B Bonds Sinking Fund (established by the Prior Ordinance);

(4) Series 1997 A Bonds Sinking Fund; and

(5) Within the Series 1997 A Bonds Sinking Fund, the Series 1997 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and in the Prior Ordinance and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation and in the Prior Ordinance. All revenues at any

time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) The Issuer shall first, each month, pay from the moneys in the Revenue Fund all current Operating Expenses of the System.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously (i) remit to the Commission for deposit in the Series 1982 A Bonds Sinking Fund the amount required by the Prior Ordinance to pay the interest on and principal of the Series 1982 A Bonds; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 1997 A Bonds, remit to the Commission for deposit in the Series 1997 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 1997 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1997 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously (i) remit to the Commission for deposit in the Series 1982 A Bonds Reserve Account the amount required by the Prior Ordinance; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 1997 A Bonds, if not fully funded upon issuance of the Series 1997 A Bonds, remit to the Commission for deposit in the Series 1997 A Bonds Reserve Account, an amount equal to 1/120th of the Series 1997 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 1997 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 1997 A Bonds Reserve Requirement.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund (as previously set forth in the Prior Ordinance and not in addition thereto), an amount equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer

or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1982 B Bonds Sinking Fund the amount required by the Prior Ordinance to pay the principal of the Series 1982 B Bonds.

Moneys in the Series 1997 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 1997 A Bonds as the same shall become due. Moneys in the Series 1997 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 1997 A Bonds as the same shall come due, when other moneys in the Series 1997 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 1997 A Bonds Sinking Fund and the Series 1997 A Bonds Reserve Account (if fully funded) shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Bond Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 1997 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 1997 A Bonds Reserve Account which result in a reduction in the balance of the Series 1997 A Bonds Reserve Account to below the Series 1997 A Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 1997 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional Bonds.

The Issuer shall not be required to make any further payments into the Series 1997 A Bonds Sinking Fund, or the Series 1997 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 1997 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 1982 A Bonds and Series 1997 A Bonds, and thereafter, with respect to the Series 1982 B Bonds, all in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 1997 A Bonds Sinking Fund and the Series 1997 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by either the Authority or the Council at any time, the Issuer shall make the necessary arrangements whereby required payments into the Series 1997 A Bonds Sinking Fund and the Series 1997 A Bonds Reserve Account shall be automatically deducted from the Revenue Fund and transferred to the Commission on the dates required hereunder.

Moneys in the Series 1997 A Bonds Sinking Fund and the Series 1997 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 1997 A Bonds Sinking Fund, including the Series 1997 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 1997 A Bonds and any additional Bonds ranking on a parity therewith that may be issued and Outstanding under the conditions and restrictions hereinafter set forth.

B. The Issuer shall on the first day of each month (if such day is not a business day, then the next succeeding business day) deposit with the Commission the required principal, interest and reserve payments with respect to the Series 1997 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

C. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges, fees and expenses then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by either the Authority or the Council at any time, make the necessary arrangements whereby such required payments shall be automatically deducted from the Revenue Fund and transferred to the Commission on the dates required.

D. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in the Revenue Fund and the Renewal and Replacement Fund shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

E. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be made pursuant to this Section 5.03 and the relevant provisions of the Prior Ordinance, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

F. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

G. The Gross Revenues of the System shall only be used for purposes of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of any or all of the Series 1997 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 1997 A Bonds, there shall first be deposited with the Commission in the Series 1997 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 1997 A Bonds for the period commencing on the date of issuance of the Series 1997 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 1997 A Bonds, there shall be deposited with the Commission in the Series 1997 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 1997 A Bonds Reserve Account.

C. Next, from the proceeds of the Series 1997 A Bonds, there shall first be credited to the Bond Construction Trust Fund and then paid, any and all other borrowings by the Issuer made for the purpose of temporarily financing a portion of the Costs of the Project and any borrowings by the Issuer from the Authority, including interest accrued thereon to the date of such payment, not otherwise paid from funds of the Issuer.

D. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 1997 A Bonds, such moneys shall be deposited with the Depository Bank in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02 hereof.

E. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 1997 A Bonds shall be used as directed in writing by the Council and the Authority.

F. The Depository Bank shall act as a trustee and fiduciary for the Bondholder with respect to the Bond Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Bond Construction Trust Fund set forth in the Bond Legislation. Moneys in the Bond Construction Trust Fund shall be used solely to pay Costs of the Project and until so transferred or expended, are hereby pledged as additional security for the Series 1997 A Bonds.

Section 6.02. Disbursements From the Bond Construction Trust Fund. The Issuer shall on or about the 15th day of each month provide the Council with a requisition for the costs incurred for the Project, together with such documentation as the Council shall require. Payments for costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Bond Construction Trust Fund (except for the costs of issuance of the Bonds hereby authorized, which shall be made upon request of the Issuer) shall be made only after submission to the Depository Bank of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating:

(A) That none of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(B) That each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;

(C) That each of such costs has been otherwise properly incurred; and

(D) That payment for each of the items proposed is then due and owing.

All payments made from the Bond Construction Trust Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Bond Construction Trust Fund.

Pending such application, moneys in the Bond Construction Trust Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 1997 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 1997 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 1997 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 1997 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 1997 A Bonds, shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1997 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of the Series 1997 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Series 1982 A Bonds and senior and prior to the lien on the Net Revenues in favor of the Holders of the Series 1982 B Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 1997 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the sewer rate ordinance of the Issuer enacted February 3, 1994, which rates are incorporated herein by reference as a part hereof.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of the System, except as provided in the Prior Ordinance. Additionally, so long as the Series 1997 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the Council, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be

realized shall be sufficient to pay fully all the Bonds Outstanding, or to effectively defease the pledge created by this Bond Legislation in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 1997 A Bonds, immediately be remitted to the Commission for deposit in the Series 1997 A Bonds Sinking Fund, and, with the written consent of the Authority and the Council, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest on the Series 1997 A Bonds. Any balance remaining after the payment of all the Series 1997 A Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, in writing, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and the Governing Body may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, aggregating during such Fiscal Year in excess of $10,000 and not in excess of $50,000, shall be remitted by the Issuer to the Commission for deposit in the respective Sinking Funds for prepayment of the Bonds. Such payments into the Renewal and Replacement Fund and the Sinking Funds shall not reduce the amounts required to be paid into such funds by other provisions of this Bond Legislation..

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 66 2/3% in amount of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 1997 A Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 1997 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 1997 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the Council prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the System, or any other obligations related to the Project or the System.

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinance shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of any Bonds pursuant to this Bond Legislation, except under the conditions and in the manner herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1997 A Bonds, and must have the prior written consent of the Authority and the Council.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the acquisition or construction of additions, betterments or improvements to the System or refunding the Bonds issued pursuant hereto, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Recorder a written statement by the Independent Certified Public Accountants, based upon the necessary investigation and certification by the Consulting Engineers, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Parity

Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

(1) The Bonds then Outstanding, including, without limitation, the Prior Bonds;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Ordinance then Outstanding; and

(3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from any improvements to be financed by such additional Parity Bonds and any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the date of delivery of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Consulting Engineers, which shall be filed in the office of the Recorder prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Consulting Engineers and the Independent Certified Public Accountants, as stated in a certificate jointly made and signed by the Consulting Engineers and the Independent Certified Public Accountants, and filed with the Recorder, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the time for appeal of which has expired (without successful appeal) prior to issuance of such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond of one series over any other Bond of the same series. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Bond Legislation with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

Notwithstanding the foregoing, or any provision of Section 7.06 to the contrary, additional Parity Bonds may be issued solely for the purpose of completing the Project as described in the application to the Authority and the Council submitted as of the date of the Loan Agreement without regard to the restrictions set forth in this Section 7.07, if there is first obtained by the Issuer the written consent of the Authority and the Council to the issuance of the Parity Bonds.

Section 7.08. Books; Records and Facilities. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Authority and the Council or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority and the Council such documents and information as they may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the Authority and the Council or their agents and representatives, to inspect all records pertaining to the operation of the System at all reasonable times following completion of construction of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds issued pursuant to this Bond Legislation shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Issuer. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the Council and the Authority, or any other original purchaser of the Series 1997 A Bonds, and shall mail in each year to any Holder or Holders of the Series 1997 A Bonds, requesting the same, an annual report containing the following:

(A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations payable from the revenues of the System outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 1997 A Bonds and shall submit said report to the Authority and the Council, or any other original purchaser of the Series 1997 A Bonds. Such audit report submitted to the Authority and the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service requirements.

The Issuer shall permit the Authority and the Council, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction of the Project, the Issuer shall also provide the Authority and the Council, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority with respect to the System pursuant to the Act.

Section 7.09. Rates. Equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the

Recorder, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 1997 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 1997 A Bonds, including the Prior Bonds; provided that, in the event amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 1997 A Bonds Reserve Account and any Reserve Accounts for obligations prior to or on a parity with the Series 1997 A Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 1997 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 1997 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

Section 7.10. Operating Budget; Audit and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and the Council, or to any Holder of the Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any Holder of any Bonds or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for 2 years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement as Exhibit C, and forward a copy of such report to the Authority and the Council by the 15th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate resident engineering services satisfactory to the Authority and the Council covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such resident engineer shall certify to the Authority, the Council and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of the Loan Agreement.

Section 7.12. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To

the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System, and any services and facilities of the water system, if so owned by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. If the waterworks facilities are not owned by the Issuer, the Issuer will, to the extent allowed by law, use diligent efforts to enter into a similar termination agreement with the provider of such water, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

Section 7.14. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 1997 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to,

obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) PUBLIC LIABILITY INSURANCE, with limits of not less than $1,000,000 per occurrence to protect the Issuer from claims for bodily injury and/or death and not less than $500,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) FLOOD INSURANCE, if the facilities of the System are or will be located in designated special flood or mudslide-prone areas and to the extent available at reasonable cost to the Issuer.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

(6) FIDELITY BONDS will be provided as to every officer, member and employee of the Issuer having custody of the revenues or of any other funds of the System, in an amount at least equal to the total funds in the custody of any such person at any one time.

Section 7.16. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner,

tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Division of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Division of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or water-borne waste matter and which is not so connected with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

Section 7.17. Completion of Project; Permits and Orders. The Issuer will complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project and all orders and approvals from the West Virginia Public Service Commission, if necessary, for the acquisition and construction of the Project and the operation of the System.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer agrees to comply with all the terms and conditions of the Loan Agreement and shall by Supplemental Resolution approve such additional terms and conditions set forth in the Loan Agreement. The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the Authority and the Council, or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System. The Issuer shall provide the Council with copies of all documents submitted to the Authority.

Section 7.19. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 1997 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 1997 A Bonds during the term thereof is, under the terms of the

Series 1997 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 1997 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 1997 A Bonds during the term thereof is, under the terms of the Series 1997 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 1997 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 1997 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of 5% of the Net Proceeds of the Series 1997 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 1997 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 1997 A Bonds and the interest thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 1997 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.20. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of

changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often if reasonably requested by the Issuer), a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest on the Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 1997 A Bonds which would cause the Series 1997 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 1997 A Bonds) so that the interest on the Series 1997 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Small Issuer Exemption from Rebate of Excess Investment Earnings to the United States. In accordance with Section 148 (f)(4)(D) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that no part of the Series 1997 A Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Series 1997 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Series 1997 A Bonds are issued does not and will not exceed $5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect an applicable to the Series 1997 A Bonds. For purposes of the first paragraph of Section 8.03 and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer.

Notwithstanding the foregoing, if in fact the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to make, or cause to be made, all rebate calculations, computations and payments in the time, manner and as required in Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1997 A Bonds and otherwise covenants and agrees to comply with the provisions of such Section 148(f) of the Code and the Regulations form time to time in effect and applicable to the Series 1997 A Bonds. In the event of a failure to pay the correct rebate amount, the Issuer will pay, from any lawful sources available therefor, to the United States such amount, plus a penalty equal to 50% of the rebate amount not paid when required to be paid, plus interest on that amount, unless waived. In order to provide for the administration of this paragraph, the Issuer may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Issuer may deem appropriate.

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority. In addition, the Issuer shall cooperate with the Authority in preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation or, if the Issuer qualifies for the small governmental issue exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 1997 A Bonds subject to rebate. The Issuer shall also furnish the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority, including information with respect to earnings on all funds constituting "gross proceeds" of the Bonds (as such term "gross proceeds" is defined in the Code).

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on any Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Bonds set forth in this Bond Legislation, any supplemental resolution or in the Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

(3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America; or

(4) If default occurs with respect to the Prior Bonds or the Prior Ordinance.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 1997 A Bonds shall be on a parity with the Holders of the Series 1982 A Bonds and senior and prior to the Holders of the Series 1982 B Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after

commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and maintain, manage and control such facilities, and each and every part thereof, and in the name of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might do.

Whenever all that is due upon the Bonds and interest thereon and under any covenants of this Bond Legislation for reserve, sinking or other funds and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the revenues of the System shall have been paid and made good, and all defaults under the provisions of this Bond Legislation shall have been cured and made good, possession of the System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Registered Owner of any Bonds shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him or her or it, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby, and a successor receiver may be appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the System shall remain in the Issuer, and no

court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

DEFEASANCE

Section 10.01. Defeasance of Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of the Series 1997 A Bonds, the principal of and interest due or to become due thereon, if any, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1997 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Series 1997 A Bonds from gross income for federal income tax purposes.

Series 1997 A Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date, the principal installments of and interest on such Series 1997 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1997 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of and interest due and to become due on said Series 1997 A Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 1997 A Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior to the next redemption date or the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 1997 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 1997 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 1997 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 1997 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 1997 A Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 1997 A Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest on the Series 1997 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Bonds.

Section 11.04. Headings, Etc. The headings and catchlines of the articles, sections and subsections hereof are for convenience of reference only, and shall not affect in any way the meaning or interpretation of any provision hereof.

Section 11.05. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict between this Ordinance and the Prior Ordinance, the Prior Ordinance shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the Recorder and members of the Governing Body were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.07. Effective Date. This Ordinance shall take effect immediately following the public hearing and final reading hereof.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the Elkins Inter-Mountain, a newspaper of general circulation in The Town of Beverly, no qualified newspaper being published therein, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 1997 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Passed on First Reading:	-	July 31, 1997
Passed on Second Reading:	-	August 7, 1997
Passed on Final Reading Following Public Hearing:	-	August 21, 1997

Donald C. Goldizen
Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of THE TOWN OF BEVERLY on the 21st of August, 1997.

Dated: August 28, 1997.

[SEAL]

Barbara J. Smith
Recorder

07/22/97
074550/97001

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF THE TOWN OF BEVERLY; RATIFYING AND APPROVING A LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of The Town of Beverly (the "Issuer"), has duly and officially adopted and enacted a bond ordinance, effective August 21, 1997 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE TOWN OF BEVERLY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN $300,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE

TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Ordinance when used herein;

WHEREAS, the Bond Ordinance provides for the issuance of Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds" or "Series 1997 A Bonds"), in the aggregate principal amount not to exceed $300,000, and has authorized the execution and delivery of a loan agreement relating to the Bonds (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") , on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Loan Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted and that the Loan Agreement be ratified and approved by the Issuer, that the exact principal amount, the date, the maturity date, the interest rate, the interest and principal payment dates and the sale price of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE TOWN OF BEVERLY:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $248,258. The

Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2037, and shall bear no interest. The principal of the Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 1998, and ending June 1, 2037, and in the amounts as set forth in "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Bonds.

Section 2. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the form provided in the Bond Ordinance.

Section 3. The Issuer does hereby ratify, approve and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the application to the Council and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate One Valley Bank, National Association, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Ordinance.

Section 6. The Issuer does hereby appoint and designate Citizens National Bank, Beverly, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 1997 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 1997 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 1997 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 1997 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Bonds shall be deposited in or credited to the Bond Construction Trust Fund as received from the Council from time to time for payment of costs of the Project, including costs of issuance of the Bonds and related costs.

Section 10. The Mayor and the Recorder are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about August 28, 1997, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer hereby determines to invest all moneys in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Moneys in the Series 1997 A Bonds Sinking Fund, including the Series 1997 A Bonds Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 13. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder or under any predecessor thereto (the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and Treasury Regulations to be promulgated thereunder.

Section 14. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 21st day of August, 1997.

THE TOWN OF BEVERLY

Donald C. Goldman

Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of The Town of Beverly on the 21st day of August, 1997.

Dated: August 28, 1997.

[SEAL]

Barbara J. Smith
Recorder

08/04/97
074550/97001

IC/WDA-1
(July 1996)

LOAN AGREEMENT

THIS LOAN AGREEMENT, Made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), acting on behalf of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council") and the governmental agency designated below (the "Governmental Agency");

TOWN OF BEVERLY
(Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 31, Article 15A, of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered upon request of the Council to make loans to governmental agencies for the acquisition or construction of projects by such governmental agencies, subject to such provisions and limitations as are contained in the Act;

WHEREAS, the Governmental Agency constitutes a governmental agency as defined by the Act;

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State to construct, operate and improve a project, as defined by the Act, and to finance the cost of constructing or acquiring the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

WHEREAS, the Governmental Agency intends to construct, is constructing or has constructed such a project at the location and as more particularly described and set forth in the Application, as hereinafter defined (the "Project");

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for a Construction Loan with attachments and exhibits and an Amended Application for a Construction Loan also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference; and

WHEREAS, having reviewed the Application and made all findings required by the Act and having available sufficient funds therefor, the Council has authorized the Authority to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Governmental Agency with money in the Infrastructure Fund subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Council's loan program (the "Program") as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Governmental Agency and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "governmental agency," "project," "waste water facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

1.2 "Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Bonds, acting in its administrative capacity pursuant to Section 10 of the Council Act and upon authorization from the Council.

1.3 "Consulting Engineers" means the professional engineer, licensed by the State, who shall not be a regular, full-time employee of the State or any of its agencies, commissions or political sub-divisions, and designated in the Application and any qualified successor thereto; provided, however, when a Loan is made for a Project financed, in part, by the Office of Abandoned Mine Lands, "Consulting Engineers" shall mean the West Virginia Division of Environmental Protection, or any successor thereto.

1.4 "Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Section 9 of the Act.

1.5 "Loan" means the loan to be made by the Authority to the Governmental Agency through the purchase of Local Bonds, as hereinafter defined, pursuant to this Loan Agreement.

1.6 "Local Act" means the official action of the Governmental Agency required by Section 4.1 hereof, authorizing the Local Bonds.

1.7 "Local Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the Loan and to be purchased by the Authority, all in accordance with the provisions of this Loan Agreement.

1.8 "Local Statute" means the specific provisions of the Code of West Virginia, 1931, as amended, pursuant to which the Local Bonds are issued.

1.9 "Operating Expenses" means the reasonable, proper and necessary costs of operation and maintenance of the System, as hereinafter defined, as should normally and regularly be included as such under generally accepted accounting principles.

1.10 "Project" means the project hereinabove referred to, to be constructed or being constructed by the Governmental Agency in whole or in part with the net proceeds of the Local Bonds.

1.11 "System" means the project owned by the Governmental Agency, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

1.12 Additional terms and phrases are defined in this Loan Agreement as they are used.

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority and Council having found, to the extent applicable, that the Project is consistent with the Act.

2.2 Subject to the terms, conditions and provisions of this Loan Agreement and of the Local Act, the Governmental Agency has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers.

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or

other security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property or any interest therein is approved by the Authority and Council.

2.4 The Governmental Agency agrees that the Authority and its duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Governmental Agency further agrees that the Authority and its duly authorized agents and representatives shall, prior to, at and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority with respect to the System pursuant to the pertinent provisions of the Act.

2.5 The Governmental Agency shall keep complete and accurate records of the cost of acquiring the Project site and the costs of constructing, acquiring and installing the Project. The Governmental Agency shall permit the Authority, acting by and through its Director or his duly authorized agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at any and all reasonable times for the purpose of audit and examination, and the Governmental Agency shall submit to the Authority such documents and information as it may reasonably require in connection with the construction, acquisition and installation of the Project, the operation and maintenance of the System and the administration of the Loan or of any State and federal grants or other sources of financing for the Project.

2.6 The Governmental Agency agrees that it will permit the Authority and its agents and representatives to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof or if the Project is an improvement to an existing system at any reasonable time following commencement of construction.

2.7 The Governmental Agency shall require that each construction contractor furnish a performance bond and a payment bond, each in an amount at least equal to one hundred percent (100%) of the contract price of the portion of the Project covered by the particular contract, as security for the faithful performance of such contract.

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and

all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds is outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Governmental Agency shall provide and maintain competent and adequate resident engineering services satisfactory to the Council and the Authority covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such resident engineer shall certify to the Authority and the Governmental Agency at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

2.10 The Governmental Agency agrees that it will at all times provide operation and maintenance of the System to comply with any and all State and federal standards. The Governmental Agency agrees that qualified operating personnel properly certified by the State will be retained to operate the System during the entire term of this Loan Agreement.

2.11 The Governmental Agency hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Council, the Authority or other State, federal or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

2.12 The Governmental Agency, commencing on the date contracts are executed for the construction of the Project and for two years following the completion of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward a copy by the 15th of each month to the Authority and Council.

ARTICLE III

Conditions to Loan;
Issuance of Local Bonds

3.1 The agreement of the Authority and Council to make the Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority, of each and all of those certain conditions precedent on or before the delivery date for the Local Bonds, which shall be the date established pursuant to Section 3.4 hereof. Said conditions precedent are as follows:

(a) The Governmental Agency shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Loan Agreement;

(b) The Governmental Agency shall have authorized the issuance of and delivery to the Authority of the Local Bonds described in this Article III and in Article IV hereof;

(c) The Governmental Agency shall either have received bids or entered contracts for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application; provided, that, if the Loan will refund an interim financing of construction, the Governmental Agency must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit A;

(d) The Governmental Agency shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, and the Authority shall have received a certificate of the Consulting Engineers to such effect;

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") necessary for the construction of the Project and operation of the System with all requisite appeal periods having expired without successful appeal, and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

(f) The Governmental Agency shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local

counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project) with all requisite appeal periods having expired without successful appeal, and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

(h) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority shall have received a certificate of the accountant for the Governmental Agency, or such other person or firm experienced in the finances of governmental agencies and satisfactory to the Authority, to such effect; and

(i) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited (or, with respect to proceeds of grant anticipation notes or other indebtedness for which a binding purchase contract has been entered, to be deposited on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of water development projects and satisfactory to the Authority, to such effect, such certificate to be in form and substance satisfactory to the Authority, and evidence satisfactory to the Authority of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the Authority or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall make the Loan to the Governmental Agency and the Governmental Agency shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Governmental Agency shall sell to the Authority and the Authority shall make the Loan by purchasing the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

3.3 The Loan shall be secured and shall be repaid in the manner hereinafter provided in this Loan Agreement.

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Governmental Agency by written notice to the

Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority and the Governmental Agency. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Loan Closing." Notwithstanding the foregoing, the Date of Loan Closing shall in no event occur more than ninety (90) days after the date of execution of this Loan Agreement by the Authority.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Council for loans to finance projects and that the obligation of the Authority to make any such loan is subject to the Council's authorization and the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing. The Governmental Agency specifically recognizes that the Authority will not purchase the Local Bonds unless and until it has available in the Infrastructure Fund funds sufficient to purchase all the Local Bonds and that, prior to such execution, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available.

ARTICLE IV

Local Bonds; Security for Loan; Repayment of Loan; Interest on Loan; Fees and Charges

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Governmental Agency in accordance with the Local Statute, which shall, as enacted, contain provisions and covenants in substantially the form as follows, unless the specific provision or covenant is modified or waived by the Council:

(a) That the gross revenues of the System shall always be used for purposes of the System. The revenues generated from the operation of the System will be used monthly, in the order of priority listed below:

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule

X to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds, if any (the "Reserve Account"), was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof in an amount equal to an amount at least equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

(iii) to create a renewal and replacement, or similar, fund in an amount equal to two and one-half percent (2-1/2%) of the gross revenues from the System, exclusive of any payments into the Reserve Account, for the purpose of improving or making emergency repairs or replacements to the System or eliminating any deficiencies in the Reserve Account; and

(iv) for other legal purposes of the System, including payment of debt service on other obligations junior, subordinate and inferior to the Local Bonds.

Provided, that if the Governmental Agency has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by the gross or net revenues from the System, as more fully set forth in Schedules X and Y attached hereto;

(ii) That the schedule of rates or charges for the services of the System shall be sufficient to provide funds which, along with other revenues of the System, will pay all Operating Expenses and leave a balance each year equal to at least one hundred fifteen percent (115%) of the maximum amount required in any year for debt service on the Local Bonds and all other obligations secured by a lien on or payable from the revenues of the System prior to or on a parity with the Local Bonds or, if the reserve account, if any, established for the payment of debt service on the Local Bonds (the "Reserve Account") is funded (whether by Local Bond proceeds, monthly deposits or otherwise) at an amount at least equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement") and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum

amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

(iii) That the Governmental Agency will complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or with the written consent of the Council and the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Local Bonds outstanding, with further restrictions on the disposition of portions of the System as are normally contained in such covenants;

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, based upon the rates, Operating Expenses and customer usage on the date of closing, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

(vi) That the Governmental Agency will carry such insurance as is customarily carried with respect to works and properties similar to the System, including those specified by Section 2.8 hereof;

(vii) That the Governmental Agency will not render any free services of the System;

(viii) That any Local Bond owner may, by proper legal action, compel the performance of the duties of the Governmental Agency under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law;

(ix) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, all delinquent rates and charges, if not paid when due, shall become a lien on the premises served by the System;

(x) That, to the extent legally allowable, the Governmental Agency will not grant any franchise to provide any services which would compete with the System;

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority, which report shall include a statement that the Governmental Agency is in compliance with the terms and provisions of the Local Act and this Loan Agreement and that the Governmental Agency's revenues are adequate to meet its operation and maintenance expenses and debt service requirements;

(xii) That the Governmental Agency shall annually adopt a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority within 30 days of adoption thereof;

(xiii) That for wastewater systems, to the extent authorized by the laws of the State and the rules and regulations of the PSC, prospective users of the System shall be required to connect thereto;

(xiv) That the proceeds of the Local Bonds must (a) be deposited in a construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Governmental Agency and on which the owners of the Local Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing for non-construction costs) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim funding of such Governmental Agency, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Governmental Agency may not redeem any Local Bonds by it without the written consent of the Authority and the Council and otherwise in compliance with this Loan Agreement;

(xvi) That, unless it qualifies for an exception to the provisions of Section 148 of the Code, which exception shall be set forth in an opinion of bond counsel, the Governmental Agency will furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information requested by the Authority;

(xvii) That the Governmental Agency shall take any and all action, or shall refrain from taking any action, as shall be deemed necessary by the Authority to maintain the exclusion from gross income for Federal income tax purposes of interest on the State's general obligation bonds or any bonds secured by the Local Bonds;

(xviii) That the Governmental Agency shall have obtained the certificate of the Consulting Engineer in the form attached to the Loan Application, to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority, the Project is adequate for the purposes for which it was designed and the funding plan as submitted to the Authority is sufficient to pay the costs of acquisition and construction of the Project;

(xix) To the extent applicable, that the Governmental Agency shall, to the full extent permitted by applicable law and the rules and regulations of the West Virginia Public Service Commission, terminate the services of any water facility owned by it to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore the services of the water facility until all delinquent charges for the services of the System have been fully paid or, if the water facility is not owned by the Governmental Agency, then the Governmental Agency shall enter into a termination agreement with the water provider; and

(xx) That the Governmental Agency shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the Local Bonds (as that term is defined in the Code) from time to time as the Authority may request.

The Governmental Agency hereby represents and warrants that the Local Act has been or shall be duly adopted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization, issuance, sale and delivery of the Local Bonds shall be approved without qualification by recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit B.

4.2 The Loan shall be secured by the pledge and assignment by the Governmental Agency, as effected by the Local Act, of the fees, charges and other revenues of the Governmental Agency from the System as further set forth by and subject only to such reservations and exceptions as are described in Schedules X and Y hereto or are otherwise expressly permitted in writing by the Authority and the Council.

4.3 The principal of the Loan shall be repaid by the Governmental Agency on the days and in the years provided in Schedule X hereto. Interest payments on the Loan shall be made by the Governmental Agency on a quarterly basis as provided in said Schedule X.

4.4 The Loan shall bear interest from the date of first payment at the rate or rates per annum set forth on Schedule X hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.5 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Governmental Agency. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series, as reflected by Schedule X hereto.

4.6 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the State's general obligation bonds unless otherwise agreed to by the Council.

ARTICLE V

Certain Covenants of the Governmental Agency; Imposition and Collection of User Charges; Payments To Be Made by Governmental Agency to the Authority

5.1 The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Loan Agreement and the Local Act. The Governmental Agency hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to make the Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System, as set forth in the Local Act and in compliance with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the minimum sums set forth in the Local Act, the Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges so as to provide funds sufficient to produce the minimum sums set forth in the Local Act and as required by this Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment of any fees due to the Authority pursuant to Section 4.6 hereof, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency,

the Authority may exercise any or all of the rights and powers granted under the Act and State law, including without limitation the right to an appointment of a receiver.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby warrants and represents that all information provided to the Authority in this Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time, and now is, true, correct and complete, and such information does not omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Prior to the Authority's making the Loan and receiving the Local Bonds, the Authority shall have the right to cancel all or any of its obligations under this Loan Agreement if (a) any representation made to the Authority by the Governmental Agency in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Governmental Agency has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of this Loan Agreement.

6.2 The Governmental Agency hereby covenants that it will rebate any amounts required by Section 148 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to make any such rebates. In the event the Governmental Agency fails to make any such rebates as required, then the Governmental Agency shall pay any and all penalties, obtain a waiver from the Internal Revenue Service and take any other actions necessary or desirable to preserve the exclusion from gross income for Federal income tax purposes of interest on the Local Bonds.

6.3 Notwithstanding Section 6.2, the Authority may at any time, in its sole discretion, cause the rebate calculations prepared by or on behalf of the Governmental Agency to be monitored or cause the rebate calculations for the Governmental Agency to be prepared, in either case at the expense of the Governmental Agency.

6.4 The Governmental Agency hereby agrees to give the Authority prior written notice of the issuance by it of any other obligations to be used for the Project, payable from the revenues of the System or from any grants for the Project or otherwise related to the Project or the System.

6.5 The Governmental Agency hereby agrees to file with the Authority upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule A to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Additional definitions, additional terms and provisions of the Loan and additional covenants and agreements of the Governmental Agency may be set forth in Schedule Z attached hereto and incorporated herein by reference, with the same effect as if contained in the text of this Loan Agreement.

7.2 The Authority shall take all actions required by the Council in making and enforcing this Loan Agreement.

7.3 If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement, and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.4 This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Loan Agreement.

7.5 No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

7.6 This Loan Agreement merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the Loan and constitutes the entire agreement between the parties hereto in respect thereof.

7.7 By execution and delivery of this Loan Agreement, notwithstanding the date hereof, the Governmental Agency specifically recognizes that it is hereby agreeing to sell its Local Bonds to the Authority and that such obligation may be specifically enforced or subject to a similar equitable remedy by the Authority.

7.8 This Loan Agreement shall terminate upon the earlier of:

(i) the end of ninety (90) days after the date of execution hereof by the Authority if the Governmental Agency has failed to deliver the Local Bonds to the Authority;

(ii) termination by the Authority pursuant to Section 6.1 hereof; or

(iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Governmental Agency to the Authority, acting on behalf of the Council.

7.9 The Authority acknowledges that certain terms and requirements in this Loan Agreement may not be applicable when the Project is financed in part by the West Virginia Division of Environmental Protection, Office of Abandoned Mine Lands and under that circumstance those terms and requirements are specifically waived or modified as agreed to by the Authority and set forth in the Local Act.

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed by their respective duly authorized officers as of the date executed below by the Authority.

TOWN OF BEVERLY

(SEAL)

By: Donald C. Goldizen
Its: Mayor

Attest:

Date: Aug 28, 1997

Barbara J. Smith
Its: Recorder

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: Daniel B. Yankosky
Director

Attest:

Date: 8-29-97

Barbara B Meadows
Secretary-Treasurer

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No. _____, of _____, Consulting Engineers, _____, _____, hereby certify that my firm is engineer for the acquisition and construction of _____ to the _____ _____ system (herein called the "Project") of _____ (the "Issuer") to be constructed primarily in ___ County, West Virginia, which construction and acquisition are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the meaning set forth in the _____ passed by the _____ of the Issuer on _____, 19_, effective ___, 19_, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority") dated _____, 19_.

1. The Bonds are being issued for the purpose of _____ _____ (the "Project").

2. The undersigned hereby certifies that (i) the Project will be constructed in accordance with the approved plans, specifications and designs prepared by my firm and as described in the application submitted to the Authority requesting the Authority to purchase the Bonds (the "Application") and approved by all necessary governmental bodies, (ii) the Project is adequate for the purpose for which it was designed and has an estimated useful life of at least _____ years, (iii) the Issuer has received bids for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application and my firm has ascertained that all contractors have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified by my firm for accuracy, (iv) the Issuer has obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, (v) the rates and charges for the System as adopted by the ____ of the Issuer are sufficient to comply with the provisions of Subsection 4.1(b)(ii) of the Loan Agreement, (vi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, are sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and (vii) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project and Sources of Funds" for the Project.

WITNESS my signature on this __ day of ____, 19_.

_____

By: _____

West Virginia License No. _____

[SEAL]

EXHIBIT B

[Opinion of Bond Counsel for Governmental Agency]

[To Be Dated as of Date of Loan Closing]

West Virginia Infrastructure and
Jobs Development Council
c/o West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25064

Ladies and Gentlemen:

We are bond counsel to _____ (the "Governmental Agency"), a _____.

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of a loan agreement dated _____, 19__, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated _____, 19__ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are in the principal amount of $_____, issued in the form of one bond registered as to principal and interest to the Authority, with interest and principal payable in installments on September 1, December 1, March 1 and June 1 of each year, beginning December 1, 1997, at the rate as set forth in Exhibit A incorporated in and made a part of the Bonds.

The Local Bonds are issued for the purpose of _____ and paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly enacted by the Governmental Agency on _____ (the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement that has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

Based upon the foregoing and upon our examination of such other documents as we have deemed necessary, we are of the opinion as follows:

1. The Loan Agreement has been duly authorized by and executed on behalf of the Governmental Agency and is a valid and binding special obligation of the Governmental Agency enforceable in accordance with the terms thereof.

2. The Loan Agreement inures to the benefit of the Authority and cannot be amended so as to affect adversely the rights of the Authority or diminish the obligations of the Governmental Agency without the consent of the Authority.

3. The Governmental Agency is a duly organized and presently existing _____, with full power and authority to construct and acquire the Project and to operate and maintain the System referred to in the Loan Agreement and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Governmental Agency has legally and effectively enacted the Local Act and all other necessary _____ in connection with the issuance and sale of the Local Bonds. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds are valid and legally enforceable special obligations of the Governmental Agency, payable from the [net] revenues of the System referred to in the Local Act and secured by a [first] lien on and pledge of the [net] revenues of said System, all in accordance with the terms of the Local Bonds and the Local Act, and have been duly issued and delivered to the Authority.

6. [If required, the Local Bonds are, by statute, exempt _____ ___, and under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is excludable from the gross income of the recipients thereof for Federal income tax purposes.]

No opinion is given herein as to the effect upon enforceability of the Local Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the exercise of judicial discretion in appropriate cases.

We have examined executed and authenticated Local Bond numbered R-1, and in our opinion the form of said bond and its execution and authentication are regular and proper.

Very truly yours,

EXHIBIT C

Monthly Financial Report

_____
[Name of Governmental Agency]

_____
_____
[Name of Bond Issue]

Fiscal Year - __

Report Month: _____

ITEM	CURRENT MONTH	YEAR TO DATE	BUDGET YEAR TO DATE	DIFFERENCE
1. Gross Revenues Collected				
2. Operation and Maintenance Expense				
3. Other Bond Debt Payments (including Reserve Fund deposits)				
4. Bond Payments (include Reserve Fund deposits)				
5. Renewal and Replacement Fund Deposit				
6. Funds available for capital construction				

Witnesseth my signature this __ day of ____, 19_.

[Name of Governmental Agency]

By: _____
Authorized Officer

CHASFS3:58465

SCHEDULE X

DESCRIPTION OF BONDS

Principal Amount of Bonds	$248,258
Purchase Price of Bonds	$248,258

Principal and interest on the Bonds is payable quarterly, commencing June 1, 1998 to and including June 1, 2037, at a rate of 0% per annum. Quarterly payments will be made thereafter on each September 1, December 1, March 1 and June 1 commencing June 1, 1998, as set forth on Schedule Y attached hereto and incorporated herein by reference. The Bonds shall be issued on parity with the Governmental Agency's Sewer Revenue Bonds, Series 1982 A, and senior and prior to the Governmental Agency's Sewer Revenue Bonds Series 1982 B.

The Governmental Agency shall submit its payments monthly to the West Virginia Municipal Bond Commission which will make quarterly payments to the West Virginia Water Development Authority at such address as is given to the West Virginia Municipal Bond Commission in writing by the Authority.

The Bonds will be fully registered in the name of the West Virginia Water Development Authority as to principal and such Bonds shall grant the Authority a first lien on the net revenues of the Governmental Agency's system.

The Governmental Agency may prepay the Bonds in full at any time at the price of par but only with the Council's written consent. The Governmental Agency shall request approval from the Authority and Council in writing of any proposed debt which will be issued by the Governmental Agency on a parity with Bonds which request must be filed at least 60 days prior to the intended date of issuance.

SCHEDULE Y

Town of Beverly, West Virginia
Infrastructure Fund Loan $248,258
40 Years, 0% Interest

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/1998	-	-	-
6/01/1998	1,581.27	-	1,581.27
9/01/1998	1,581.27	-	1,581.27
12/01/1998	1,581.27	-	1,581.27
3/01/1999	1,581.27	-	1,581.27
6/01/1999	1,581.27	-	1,581.27
9/01/1999	1,581.27	-	1,581.27
12/01/1999	1,581.27	-	1,581.27
3/01/2000	1,581.27	-	1,581.27
6/01/2000	1,581.27	-	1,581.27
9/01/2000	1,581.27	-	1,581.27
12/01/2000	1,581.27	-	1,581.27
3/01/2001	1,581.27	-	1,581.27
6/01/2001	1,581.27	-	1,581.27
9/01/2001	1,581.27	-	1,581.27
12/01/2001	1,581.27	-	1,581.27
3/01/2002	1,581.27	-	1,581.27
6/01/2002	1,581.27	-	1,581.27
9/01/2002	1,581.27	-	1,581.27
12/01/2002	1,581.26	-	1,581.26
3/01/2003	1,581.26	-	1,581.26
6/01/2003	1,581.26	-	1,581.26
9/01/2003	1,581.26	-	1,581.26
12/01/2003	1,581.26	-	1,581.26
3/01/2004	1,581.26	-	1,581.26
6/01/2004	1,581.26	-	1,581.26
9/01/2004	1,581.26	-	1,581.26
12/01/2004	1,581.26	-	1,581.26
3/01/2005	1,581.26	-	1,581.26
6/01/2005	1,581.26	-	1,581.26
9/01/2005	1,581.26	-	1,581.26
12/01/2005	1,581.26	-	1,581.26
3/01/2006	1,581.26	-	1,581.26
6/01/2006	1,581.26	-	1,581.26
9/01/2006	1,581.26	-	1,581.26
12/01/2006	1,581.26	-	1,581.26
3/01/2007	1,581.26	-	1,581.26
6/01/2007	1,581.26	-	1,581.26
9/01/2007	1,581.26	-	1,581.26
12/01/2007	1,581.26	-	1,581.26
3/01/2008	1,581.26	-	1,581.26
6/01/2008	1,581.26	-	1,581.26
9/01/2008	1,581.26	-	1,581.26
12/01/2008	1,581.26	-	1,581.26
3/01/2009	1,581.26	-	1,581.26

Town of Beverly, West Virginia
Infrastructure Fund Loan $248,258
40 Years, 0% Interest

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
6/01/2009	1,581.26	-	1,581.26
9/01/2009	1,581.26	-	1,581.26
12/01/2009	1,581.26	-	1,581.26
3/01/2010	1,581.26	-	1,581.26
6/01/2010	1,581.26	-	1,581.26
9/01/2010	1,581.26	-	1,581.26
12/01/2010	1,581.26	-	1,581.26
3/01/2011	1,581.26	-	1,581.26
6/01/2011	1,581.26	-	1,581.26
9/01/2011	1,581.26	-	1,581.26
12/01/2011	1,581.26	-	1,581.26
3/01/2012	1,581.26	-	1,581.26
6/01/2012	1,581.26	-	1,581.26
9/01/2012	1,581.26	-	1,581.26
12/01/2012	1,581.26	-	1,581.26
3/01/2013	1,581.26	-	1,581.26
6/01/2013	1,581.26	-	1,581.26
9/01/2013	1,581.26	-	1,581.26
12/01/2013	1,581.26	-	1,581.26
3/01/2014	1,581.26	-	1,581.26
6/01/2014	1,581.26	-	1,581.26
9/01/2014	1,581.26	-	1,581.26
12/01/2014	1,581.26	-	1,581.26
3/01/2015	1,581.26	-	1,581.26
6/01/2015	1,581.26	-	1,581.26
9/01/2015	1,581.26	-	1,581.26
12/01/2015	1,581.26	-	1,581.26
3/01/2016	1,581.26	-	1,581.26
6/01/2016	1,581.26	-	1,581.26
9/01/2016	1,581.26	-	1,581.26
12/01/2016	1,581.26	-	1,581.26
3/01/2017	1,581.26	-	1,581.26
6/01/2017	1,581.26	-	1,581.26
9/01/2017	1,581.26	-	1,581.26
12/01/2017	1,581.26	-	1,581.26
3/01/2018	1,581.26	-	1,581.26
6/01/2018	1,581.26	-	1,581.26
9/01/2018	1,581.26	-	1,581.26
12/01/2018	1,581.26	-	1,581.26
3/01/2019	1,581.26	-	1,581.26
6/01/2019	1,581.26	-	1,581.26
9/01/2019	1,581.26	-	1,581.26
12/01/2019	1,581.26	-	1,581.26
3/01/2020	1,581.26	-	1,581.26
6/01/2020	1,581.26	-	1,581.26

Town of Beverly, West Virginia
Infrastructure Fund Loan $248,258
40 Years, 0% Interest

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2020	1,581.26	-	1,581.26
12/01/2020	1,581.26	-	1,581.26
3/01/2021	1,581.26	-	1,581.26
6/01/2021	1,581.26	-	1,581.26
9/01/2021	1,581.26	-	1,581.26
12/01/2021	1,581.26	-	1,581.26
3/01/2022	1,581.26	-	1,581.26
6/01/2022	1,581.26	-	1,581.26
9/01/2022	1,581.26	-	1,581.26
12/01/2022	1,581.26	-	1,581.26
3/01/2023	1,581.26	-	1,581.26
6/01/2023	1,581.26	-	1,581.26
9/01/2023	1,581.26	-	1,581.26
12/01/2023	1,581.26	-	1,581.26
3/01/2024	1,581.26	-	1,581.26
6/01/2024	1,581.26	-	1,581.26
9/01/2024	1,581.26	-	1,581.26
12/01/2024	1,581.26	-	1,581.26
3/01/2025	1,581.26	-	1,581.26
6/01/2025	1,581.26	-	1,581.26
9/01/2025	1,581.26	-	1,581.26
12/01/2025	1,581.26	-	1,581.26
3/01/2026	1,581.26	-	1,581.26
6/01/2026	1,581.26	-	1,581.26
9/01/2026	1,581.26	-	1,581.26
12/01/2026	1,581.26	-	1,581.26
3/01/2027	1,581.26	-	1,581.26
6/01/2027	1,581.26	-	1,581.26
9/01/2027	1,581.26	-	1,581.26
12/01/2027	1,581.26	-	1,581.26
3/01/2028	1,581.26	-	1,581.26
6/01/2028	1,581.26	-	1,581.26
9/01/2028	1,581.26	-	1,581.26
12/01/2028	1,581.26	-	1,581.26
3/01/2029	1,581.26	-	1,581.26
6/01/2029	1,581.26	-	1,581.26
9/01/2029	1,581.26	-	1,581.26
12/01/2029	1,581.26	-	1,581.26
3/01/2030	1,581.26	-	1,581.26
6/01/2030	1,581.26	-	1,581.26
9/01/2030	1,581.26	-	1,581.26
12/01/2030	1,581.26	-	1,581.26
3/01/2031	1,581.26	-	1,581.26
6/01/2031	1,581.26	-	1,581.26
9/01/2031	1,581.26	-	1,581.26

Town of Beverly, West Virginia
Infrastructure Fund Loan $248,258
40 Years, 0% Interest

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
12/01/2031	1,581.26	-	1,581.26
3/01/2032	1,581.26	-	1,581.26
6/01/2032	1,581.26	-	1,581.26
9/01/2032	1,581.26	-	1,581.26
12/01/2032	1,581.26	-	1,581.26
3/01/2033	1,581.26	-	1,581.26
6/01/2033	1,581.26	-	1,581.26
9/01/2033	1,581.26	-	1,581.26
12/01/2033	1,581.26	-	1,581.26
3/01/2034	1,581.26	-	1,581.26
6/01/2034	1,581.26	-	1,581.26
9/01/2034	1,581.26	-	1,581.26
12/01/2034	1,581.26	-	1,581.26
3/01/2035	1,581.26	-	1,581.26
6/01/2035	1,581.26	-	1,581.26
9/01/2035	1,581.26	-	1,581.26
12/01/2035	1,581.26	-	1,581.26
3/01/2036	1,581.26	-	1,581.26
6/01/2036	1,581.26	-	1,581.26
9/01/2036	1,581.26	-	1,581.26
12/01/2036	1,581.26	-	1,581.26
3/01/2037	1,581.26	-	1,581.26
6/01/2037	1,581.26	-	1,581.26
TOTAL	248,258.00	-	248,258.00

YIELD STATISTICS

Bond Year Dollars	$4,903.09
Average Life	19.750 Years
Average Coupon	-
Net Interest Cost (NIC)	-
True Interest Cost (TIC)	0.0000000%
Bond Yield for Arbitrage Purposes	0.0000000%
All Inclusive Cost (AIC)	0.0000000%
IRS FORM 8038	
Net Interest Cost	-
Weighted Average Maturity	19.750 Years

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 11th day of August, 1997.

CASE NO. 97-0866-S-CN

THE TOWN OF BEVERLY,
a municipal corporation.
Application for a certificate of convenience and necessity to extend its wastewater system along King Runs Road and Route 219/250 to serve approximately 19 customers including the United Parcel Service.

COMMISSION ORDER

On July 7, 1997, the Town of Beverly (Town) filed an application with the Commission for a certificate of public convenience and necessity to extend the Town's wastewater system along King Runs Road and Route 219/250 to serve approximately nineteen (19) customers, including United Parcel Service (UPS). The project consists of the extension of approximately 9,400 linear feet of eight-inch and 1,434 linear feet of six-inch diameter pipe, together with the construction and operation of associated facilities and appurtenances. The project's estimated cost is approximately $690,258. The Town proposed to finance the project with a $312,000 grant from the West Virginia Infrastructure and Jobs Development Council (WVIJDC), a $50,000 Governor's Community Partnership Grant, a $248,258 loan from the WVIJDC, and $80,000 from the Town's current available funds. The Town's application also set forth the rates proposed to be charged by the Town for sewer service. The Town requested that its application be expedited to allow an August 1997 construction schedule. The Town also requested a waiver of the requirements of Rule 42 of the Commission's Rules and Regulations for the Government of the Construction and Filing of Tariffs of Public Utilities and Common Carriers by Motor Vehicle, 150 C.S.R. Series 2 (Tariff Rules).

By Order entered July 7, 1997, the Commission required the Town to provide public notice of the filing of its application once, in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Randolph County, and to make due return to the Commission of proper certification of publication immediately thereafter. Anyone wishing to object to the Town's application was required to do so within thirty (30) days after the date of publication of the notice.

On July 18, 1997, the Town filed additional documents with the Commission, including: (1) plans and specifications for the project; (2) a copy of the Town's application for a permit from the West Virginia Division of Health and Human Resources; (3) a confirmation letter from Citizens National Bank securing the $80,000 portion of project funding; and (4) a

copy of the Town's letter to the WVIJDC requesting a binding commitment letter.

On July 23, 1997, the Town filed an affidavit of publication indicating that the notice of filing was published in the Inter-Mountain on July 11, 1997.

On July 24, 1997, the Town filed a copy of a letter approving the Town's request for a Governor's Community Partnership Grant in the amount of $50,000.

On July 25, 1997, Commission Staff (Staff) filed its Initial Joint Staff Memorandum. In its memorandum, Staff recommended that the Commission should grant the Town's Tariff Rule 42 wavier request because there will be no increase in rates associated with the proposed extension project. Staff further recommended that the Commission retain the case and give it expedited treatment in order to meet UPS's deadline for commencing construction on a new facility located in the community.

On July 29, 1997, the Town filed a copy of the permit, dated July 25, 1997, issued to the Town by the West Virginia Division of Health and Human Resources, Office of Environmental Health Services.

On August 4, 1997, the Town filed a copy of a July 31, 1997 letter from the WVDEP stating that a WV/NPDES permit modification would not be necessary to construct the proposed extension.

On August 7, 1997, the Town filed with the Commission a copy of the binding commitment letter for infrastructure fund assistance for a $248,258 loan and a $312,000 grant, completing the total available funds for the project of $690,258.

On August 8, 1997, Staff filed its Final Joint Staff Memorandum, recommending that the Town's application should be granted, that the proposed financing should be approved, and that Tariff Rule 42 should be waived.

No protest or objection to the Town's proposed project has been filed to-date.

DISCUSSION

The Commission concludes that it is reasonable to grant the Town's July 7, 1997 application for a certificate, to approve the Town's proposed financing for the project, and to grant a waiver from the requirements of Tariff Rule 42.

FINDINGS OF FACT

1. On July, 1997, the Town of Beverly (Town) filed an application with the Commission for a certificate of public convenience and necessity to extend the Town's wastewater system along King Runs Road and Route

GEN. ELECTRIC TECH. GROUP 06-12-97 02:33PM 3044726915 304 624 6163 # 4

219/250 to serve approximately nineteen (19) customers, including United Parcel Service (UPS).

2. The project's estimated cost is approximately $690,258. The Town proposed to finance the project with a $312,000 grant from the West Virginia Infrastructure and Jobs Development Council (WVIJDC), a $50,000 Governor's Community Partnership Grant, a $248,258 loan from the WVIJDC, and $80,000 from the Town's current available funds.

3. The Town also requested a waiver of the requirements of Rule 42 of the Commission's Rules and Regulations for the Government of the Construction and Filing of Tariffs of Public Utilities and Common Carriers by Motor Vehicle, 150 C.S.R. Series 2 (Tariff Rules).

4. By Order entered July 7, 1997, the Commission required the Town to provide public notice of the filing of its application once, in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Randolph County, and to make due return to the Commission of proper certification of publication immediately thereafter. Anyone wishing to object to the Town's application was required to do so within thirty (30) days after the date of publication of the notice.

5. On July 23, 1997, the Town filed an affidavit of publication indicating that the notice of filing was published in the Inter-Mountain on July 11, 1997.

6. On July 25, 1997, Commission Staff (Staff) filed its Initial Joint Staff Memorandum, recommending that the Commission should grant the Town's Tariff Rule 42 wavier request, and that the Commission should retain the case and give it expedited treatment in order to meet UPS's deadline for commencing construction on a new facility located in the community.

7. On August 8, 1997, Staff filed its Final Joint Staff Memorandum, recommending that the Town's application should be granted, that the proposed financing should be approved, and that Tariff Rule 42 should be waived.

8. No protest or objection to the Town's proposed project has been filed to-date.

CONCLUSIONS OF LAW

It is reasonable to grant the Town's July 7, 1997 application for a certificate, to approve the Town's proposed financing for the project, and to grant a waiver from the requirements of Tariff Rule 42. The Town must seek Commission approval of any change in project scope or additional financing should actual costs of the project exceed projected costs.

ORDER

IT IS, THEREFORE, ORDERED that the Town of Beverly's July 7, 1997 application for a certificate of public convenience and necessity to extend

SENT BY:CHAPMAN TECH. GROUP 08-12-97 02:32PM 3044728915→ 304 624 8183 # 3

its wastewater system along King Runs Road and Route 219/250 to serve approximately nineteen (19) customers, should be, and hereby is, granted.

IT IS FURTHER ORDERED that the Town's proposed financing of the proposed project should be, and hereby is, approved.

IT IS FURTHER ORDERED that the Town's petition for a waiver of Tariff Rule 42 should be, and hereby is, granted.

IT IS FURTHER ORDERED that the Town must seek Commission approval of any change in project scope or additional financing should actual costs of the project exceed projected costs.

IT IS FURTHER ORDERED that the Commission's Executive Secretary serve a copy of this Order upon all parties of record by United States First Class Mail and upon Commission Staff by hand delivery.

A True Copy, Teste:

Todd Carden

Todd Carden
Executive Secretary

Sent By:CHAPMAN TECH. GROUP 08-12-97 02:32PM 3044728919→ 304 624 8183 # 2

West Virginia Infrastructure & Jobs Development Council

Public Members:
Russell L. Isaacs, Chairman
Cottageville
James D. Williams, Vice-Chairman
St. Albans
Lloyd P. Adams, P.E.
Wheeling
James L. Harrison, Sr.
Princeton

1320 One Valley Square
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304)558-4609

Susan J. Riggs, Esquire
Executive Secretary

April 7, 1997

Sheila Smith Jones
Region VII
4 West Main Street
Buckhannon, WV 26201

Re: Town of Beverly
Sewer Extension Project **97S-301**

Dear Ms. Jones:

The West Virginia Infrastructure and Jobs Development Council (Council) has reviewed the Town of Beverly's (Town) preliminary application for its proposed project to extend its wastewater system along Kings Run and Route 219/250 to serve approximately 19 customers including the United Parcel Service facility (Project), and has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The Town should carefully review the enclosed comments of the Sewer Technical Review Committee. The Town may need to address certain issues raised in said comments as it proceeds with the Project.

Pursuant to its review of the preliminary application, the Council has determined that the Town should use its $80,000 contribution, and pursue approximately $50,000 in the form of a Governor's Partnership grant. The Town may also be eligible for an Infrastructure Fund loan of approximately $248,258 and an Infrastructure Fund grant of approximately $312,000. The Council's decision is being deferred pending final determination of the Project's eligibility and readiness to proceed, and availability of funds in the Infrastructure Fund. **Please note that this letter does not constitute funding approval from these funding sources.**

In addition, based on the preliminary application, and pursuant to the provisions of West Virginia Code §31-15A-8(b), the Council has determined that the Project is an emergency project as defined by the Act, but must receive a certificate of public convenience and necessity under Code §24-2-12. However, the Public Service Commission must render its final decision on the certificate application within 120 days of the filing of the application. If any of the Project's circumstances, which have led to the above findings, change, the Council will reevaluate the Project's emergency status. By copy of this letter, the Council has notified the Public Service Commission of these findings.

If you have any questions regarding this matter, please contact Susan J. Riggs at (304) 558-4607.

Sincerely,

Russell L. Isaacs

RLI/bjh
Enclosure
cc: Boyce Griffith
Todd Carden
Amy Swann
Fred Cutlip

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BOND AND BOND PROCEEDS

The undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Mayor of The Town of Beverly (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 28th day of August, 1997, the Authority received the entire original issue of $248,258 principal amount of the Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds"), issued as a single, fully registered Bond, numbered AR-1, and dated August 28, 1997.

2. At the time of such receipt of the Bonds upon original issuance, the Bonds had been executed by the Mayor and the Recorder of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Bonds, of $12,413, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be advanced by the Authority and the West Virginia Infrastructure and Jobs Development Council to the Issuer as acquisition and construction of the Project progresses.

WITNESS our respective signatures on this 28th day of August, 1997.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Authorized Representative

THE TOWN OF BEVERLY

Donald C. Goldizen

Mayor

08/04/97
074550/97001

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

One Valley Bank, National Association,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

There are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of The Town of Beverly Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), in the principal amount of $248,258, dated August 28, 1997 (the "Bonds"), executed by the Mayor and the Recorder of The Town of Beverly (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Ordinance duly enacted by the Issuer on August 21, 1997, and a Supplemental Resolution duly adopted by the Issuer on August 21, 1997 (collectively, the "Bond Legislation");

(2) A copy of the Bond Legislation authorizing the above-described Bond issue, duly certified by the Recorder of the Issuer;

(3) Executed counterparts of the loan agreement dated August 28, 1997, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), for and on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Loan Agreement"); and

(4) An executed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the Issuer of the sum of $12,413, representing a portion of the principal amount of the Bonds. Prior to such delivery of the Bonds, you will please cause the Bonds

to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated this 28th day of August, 1997.

THE TOWN OF BEVERLY

Donald C. Goldman

Mayor

08/04/97
074550/97001

(SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE TOWN OF BEVERLY
SEWER REVENUE BOND,
SERIES 1997 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $248,258

KNOW ALL MEN BY THESE PRESENTS: That THE TOWN OF BEVERLY, a municipal corporation and political subdivision of the State of West Virginia in Randolph County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of TWO HUNDRED FORTY-EIGHT THOUSAND TWO HUNDRED FIFTY-EIGHT DOLLARS ($248,258), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 1998, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference, with no interest.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated August 28, 1997.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly

Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on August 21, 1997, and a Supplemental Resolution duly adopted by the Issuer on August 21, 1997 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1982 A (THE "SERIES 1982 A BONDS"), DATED OCTOBER 28, 1982, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $285,000, AND SENIOR AND PRIOR WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S SEWER REVENUE BONDS, SERIES 1982 B (THE "SERIES 1982 B BONDS"), DATED OCTOBER 28, 1982, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $86,500 (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the Holders of the Series 1982 A Bonds and senior and prior to the pledge of Net Revenues in favor of the Holders of the Series 1982 B Bonds, and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1997 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 1997 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with or junior to the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 1997 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding prior to or on a parity with or junior to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced

to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest, if any, on this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, THE TOWN OF BEVERLY has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated August 28, 1997.

[SEAL]

_____
Mayor

ATTEST:

_____
Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1997 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: August 28, 1997.

ONE VALLEY BANK,
NATIONAL ASSOCIATION,
as Registrar

_____
Authorized Officer

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$12,413	8/28/97	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

Town of Beverly, West Virginia
Infrastructure Fund Loan $248,258
40 Years, 0% Interest

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/1998	-	-	-
6/01/1998	1,581.27	-	1,581.27
9/01/1998	1,581.27	-	1,581.27
12/01/1998	1,581.27	-	1,581.27
3/01/1999	1,581.27	-	1,581.27
6/01/1999	1,581.27	-	1,581.27
9/01/1999	1,581.27	-	1,581.27
12/01/1999	1,581.27	-	1,581.27
3/01/2000	1,581.27	-	1,581.27
6/01/2000	1,581.27	-	1,581.27
9/01/2000	1,581.27	-	1,581.27
12/01/2000	1,581.27	-	1,581.27
3/01/2001	1,581.27	-	1,581.27
6/01/2001	1,581.27	-	1,581.27
9/01/2001	1,581.27	-	1,581.27
12/01/2001	1,581.27	-	1,581.27
3/01/2002	1,581.27	-	1,581.27
6/01/2002	1,581.27	-	1,581.27
9/01/2002	1,581.27	-	1,581.27
12/01/2002	1,581.26	-	1,581.26
3/01/2003	1,581.26	-	1,581.26
6/01/2003	1,581.26	-	1,581.26
9/01/2003	1,581.26	-	1,581.26
12/01/2003	1,581.26	-	1,581.26
3/01/2004	1,581.26	-	1,581.26
6/01/2004	1,581.26	-	1,581.26
9/01/2004	1,581.26	-	1,581.26
12/01/2004	1,581.26	-	1,581.26
3/01/2005	1,581.26	-	1,581.26
6/01/2005	1,581.26	-	1,581.26
9/01/2005	1,581.26	-	1,581.26
12/01/2005	1,581.26	-	1,581.26
3/01/2006	1,581.26	-	1,581.26
6/01/2006	1,581.26	-	1,581.26
9/01/2006	1,581.26	-	1,581.26
12/01/2006	1,581.26	-	1,581.26
3/01/2007	1,581.26	-	1,581.26
6/01/2007	1,581.26	-	1,581.26
9/01/2007	1,581.26	-	1,581.26
12/01/2007	1,581.26	-	1,581.26
3/01/2008	1,581.26	-	1,581.26
6/01/2008	1,581.26	-	1,581.26
9/01/2008	1,581.26	-	1,581.26
12/01/2008	1,581.26	-	1,581.26
3/01/2009	1,581.26	-	1,581.26

Town of Beverly, West Virginia
Infrastructure Fund Loan $248,258
40 Years, 0% Interest

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
6/01/2009	1,581.26	-	1,581.26
9/01/2009	1,581.26	-	1,581.26
12/01/2009	1,581.26	-	1,581.26
3/01/2010	1,581.26	-	1,581.26
6/01/2010	1,581.26	-	1,581.26
9/01/2010	1,581.26	-	1,581.26
12/01/2010	1,581.26	-	1,581.26
3/01/2011	1,581.26	-	1,581.26
6/01/2011	1,581.26	-	1,581.26
9/01/2011	1,581.26	-	1,581.26
12/01/2011	1,581.26	-	1,581.26
3/01/2012	1,581.26	-	1,581.26
6/01/2012	1,581.26	-	1,581.26
9/01/2012	1,581.26	-	1,581.26
12/01/2012	1,581.26	-	1,581.26
3/01/2013	1,581.26	-	1,581.26
6/01/2013	1,581.26	-	1,581.26
9/01/2013	1,581.26	-	1,581.26
12/01/2013	1,581.26	-	1,581.26
3/01/2014	1,581.26	-	1,581.26
6/01/2014	1,581.26	-	1,581.26
9/01/2014	1,581.26	-	1,581.26
12/01/2014	1,581.26	-	1,581.26
3/01/2015	1,581.26	-	1,581.26
6/01/2015	1,581.26	-	1,581.26
9/01/2015	1,581.26	-	1,581.26
12/01/2015	1,581.26	-	1,581.26
3/01/2016	1,581.26	-	1,581.26
6/01/2016	1,581.26	-	1,581.26
9/01/2016	1,581.26	-	1,581.26
12/01/2016	1,581.26	-	1,581.26
3/01/2017	1,581.26	-	1,581.26
6/01/2017	1,581.26	-	1,581.26
9/01/2017	1,581.26	-	1,581.26
12/01/2017	1,581.26	-	1,581.26
3/01/2018	1,581.26	-	1,581.26
6/01/2018	1,581.26	-	1,581.26
9/01/2018	1,581.26	-	1,581.26
12/01/2018	1,581.26	-	1,581.26
3/01/2019	1,581.26	-	1,581.26
6/01/2019	1,581.26	-	1,581.26
9/01/2019	1,581.26	-	1,581.26
12/01/2019	1,581.26	-	1,581.26
3/01/2020	1,581.26	-	1,581.26
6/01/2020	1,581.26	-	1,581.26

Town of Beverly, West Virginia
Infrastructure Fund Loan $248,258
40 Years, 0% Interest

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2020	1,581.26	-	1,581.26
12/01/2020	1,581.26	-	1,581.26
3/01/2021	1,581.26	-	1,581.26
6/01/2021	1,581.26	-	1,581.26
9/01/2021	1,581.26	-	1,581.26
12/01/2021	1,581.26	-	1,581.26
3/01/2022	1,581.26	-	1,581.26
6/01/2022	1,581.26	-	1,581.26
9/01/2022	1,581.26	-	1,581.26
12/01/2022	1,581.26	-	1,581.26
3/01/2023	1,581.26	-	1,581.26
6/01/2023	1,581.26	-	1,581.26
9/01/2023	1,581.26	-	1,581.26
12/01/2023	1,581.26	-	1,581.26
3/01/2024	1,581.26	-	1,581.26
6/01/2024	1,581.26	-	1,581.26
9/01/2024	1,581.26	-	1,581.26
12/01/2024	1,581.26	-	1,581.26
3/01/2025	1,581.26	-	1,581.26
6/01/2025	1,581.26	-	1,581.26
9/01/2025	1,581.26	-	1,581.26
12/01/2025	1,581.26	-	1,581.26
3/01/2026	1,581.26	-	1,581.26
6/01/2026	1,581.26	-	1,581.26
9/01/2026	1,581.26	-	1,581.26
12/01/2026	1,581.26	-	1,581.26
3/01/2027	1,581.26	-	1,581.26
6/01/2027	1,581.26	-	1,581.26
9/01/2027	1,581.26	-	1,581.26
12/01/2027	1,581.26	-	1,581.26
3/01/2028	1,581.26	-	1,581.26
6/01/2028	1,581.26	-	1,581.26
9/01/2028	1,581.26	-	1,581.26
12/01/2028	1,581.26	-	1,581.26
3/01/2029	1,581.26	-	1,581.26
6/01/2029	1,581.26	-	1,581.26
9/01/2029	1,581.26	-	1,581.26
12/01/2029	1,581.26	-	1,581.26
3/01/2030	1,581.26	-	1,581.26
6/01/2030	1,581.26	-	1,581.26
9/01/2030	1,581.26	-	1,581.26
12/01/2030	1,581.26	-	1,581.26
3/01/2031	1,581.26	-	1,581.26
6/01/2031	1,581.26	-	1,581.26
9/01/2031	1,581.26	-	1,581.26

Town of Beverly, West Virginia
Infrastructure Fund Loan $248,258
40 Years, 0% Interest

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
12/01/2031	1,581.26	-	1,581.26
3/01/2032	1,581.26	-	1,581.26
6/01/2032	1,581.26	-	1,581.26
9/01/2032	1,581.26	-	1,581.26
12/01/2032	1,581.26	-	1,581.26
3/01/2033	1,581.26	-	1,581.26
6/01/2033	1,581.26	-	1,581.26
9/01/2033	1,581.26	-	1,581.26
12/01/2033	1,581.26	-	1,581.26
3/01/2034	1,581.26	-	1,581.26
6/01/2034	1,581.26	-	1,581.26
9/01/2034	1,581.26	-	1,581.26
12/01/2034	1,581.26	-	1,581.26
3/01/2035	1,581.26	-	1,581.26
6/01/2035	1,581.26	-	1,581.26
9/01/2035	1,581.26	-	1,581.26
12/01/2035	1,581.26	-	1,581.26
3/01/2036	1,581.26	-	1,581.26
6/01/2036	1,581.26	-	1,581.26
9/01/2036	1,581.26	-	1,581.26
12/01/2036	1,581.26	-	1,581.26
3/01/2037	1,581.26	-	1,581.26
6/01/2037	1,581.26	-	1,581.26
TOTAL	248,258.00	-	248,258.00

YIELD STATISTICS

Bond Year Dollars	$4,903.09
Average Life	19.750 Years
Average Coupon	-
Net Interest Cost (NIC)	-
True Interest Cost (TIC)	0.0000000%
Bond Yield for Arbitrage Purposes	0.0000000%
All Inclusive Cost (AIC)	0.0000000%
IRS FORM 8038	
Net Interest Cost	-
Weighted Average Maturity	19.750 Years

ASSIGNMENT

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

_____

the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

STEPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SIXTH FLOOR

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

FACSIMILE (304) 624-8183

BANK ONE CENTER, SEVENTH FLOOR
P. O. BOX 1588
CHARLESTON, W. VA. 25326-1588
(304) 353-8000
FACSIMILE (304) 353-8180

1000 HAMPTON CENTER
P. O. BOX 1616
MORGANTOWN, W. VA. 26507-1616
(304) 598-8000
FACSIMILE (304) 598-8116

126 EAST BURKE STREET
P. O. BOX 2629
MARTINSBURG, W. VA. 25402-2629
(304) 263-6991
FACSIMILE (304) 263-4786

104 WEST CONGRESS STREET
P. O. BOX 100
CHARLES TOWN, W. VA. 25414-0100
(304) 725-1414
FACSIMILE (304) 725-1913

RILEY BUILDING, FOURTH FLOOR
14TH AND CHAPLINE STREETS
P. O. BOX 150
WHEELING, W. VA. 26003-0020
(304) 233-0000
FACSIMILE (304) 233-0014

THE RIVERS OFFICE PARK
200 STAR AVENUE, SUITE 220
P. O. BOX 628
PARKERSBURG, W. VA. 26102-0628
(304) 422-6463
FACSIMILE (304) 422-6462

WRITER'S DIRECT DIAL NUMBER

August 28, 1997

The Town of Beverly
Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

The Town of Beverly
Beverly, West Virginia

West Virginia Water Development Authority
Dunbar, West Virginia

West Virginia Infrastructure and
Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by The Town of Beverly (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its $248,258 Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated August 28, 1997, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, with no interest, and with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 1998, and ending June 1, 2037, all as set forth in "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 16, Article 13 and Chapter 31,

Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on August 21, 1997, as supplemented by a Supplemental Resolution duly adopted by the Issuer on August 21, 1997 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement.

Based upon the foregoing, and upon our examination of such other documents as we have deemed necessary, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System referred to in the Loan Agreement and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Loan Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the Council and cannot be amended so as to affect adversely the rights of the Authority or the Council or diminish the obligations of the Issuer without the written consent of the Authority and the Council.

3. The Bond Legislation and all other necessary ordinances and resolutions have been duly and effectively enacted and adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Bond Legislation and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's outstanding Sewer Revenue Bonds, Series 1982 A, and senior and prior, with respect to liens, pledge and source of and security for payment, to the Issuer's outstanding Sewer Revenue Bonds, Series 1982 B, all in accordance with the terms of the Bonds and the Bond Legislation.

5. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, and the interest on the

Bonds is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

6. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from gross income for federal income tax purposes; therefore, the interest , if any, on the Bonds is not excluded from gross income for federal income tax purposes. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds, the Loan Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Bond numbered AR-1, and in our opinion the form of said Bond and its execution and authentication are regular and proper.

Very truly yours,

STEPTOE & JOHNSON

08/04/97
074550/97001

DAVID W. HART
ATTORNEY
202 SOUTH RANDOLPH AVENUE
ELKINS, WV 26241
(304) 636-0100
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August 28, 1997

The Town of Beverly
Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

The Town of Beverly
Beverly, West Virginia

West Virginia Water Development Authority
Dunbar, West Virginia

West Virginia Infrastructure and
Jobs Development Council
Charleston, West Virginia

Steptoe & Johnson
Clarksburg, West Virginia

Ladies and Gentlemen:

I am counsel to The Town of Beverly in Randolph County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson, as bond counsel, a loan agreement dated August 28, 1997, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), the Bond Ordinance duly enacted by the Issuer on August 21, 1997, as supplemented by the Supplemental Resolution duly adopted by the Issuer on August 21, 1997 (collectively, the "Bond Legislation"), and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). Capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

I am of the opinion that:

1. The Issuer has been duly created and is validly existing as a municipal corporation and political subdivision of the State of West Virginia, and the Mayor, Recorder and members of the council

and the Sanitary Board of the Issuer have been duly and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act on behalf of the Issuer in their respective capacities.

2. The Bond Legislation has been duly adopted and enacted by the Issuer and is in full force and effect.

3. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Authority, constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.

4. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any ordinance, order, resolution, agreement or other instrument to which the Issuer is a party or any existing law, regulation, court order or consent decree to which the Issuer is subject.

5. The Issuer has received all permits, licenses, approvals, exemptions, consents, registrations, certificates and authorizations required by law for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders and approvals from the Public Service Commission of West Virginia and the Council and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges. The time for appeal of such rate ordinance has expired prior to the date hereof without any appeal. The Issuer has received the Final Order of the Public Service Commission of West Virginia entered on August 11, 1997, in Case No. 97-0866-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Final Order has not expired prior to the date hereof. The parties to such Final Order have stated that they will not appeal such Final Order. Such Final Order is not subject to appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

6. To the best of my knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bonds, the Loan Agreement, the Bond Legislation, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the collection or pledge of the Net Revenues therefor.

All counsel to this transaction may rely upon this opinion as if specifically addressed to them.

Very truly yours,

DAVID HART, ESQUIRE

08/04/97
074550/97001

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. LOAN AGREEMENT
11. RATES
12. SIGNATURES AND DELIVERY
13. BOND PROCEEDS
14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
15. PUBLIC SERVICE COMMISSION ORDER
16. SPECIMEN BOND
17. CONFLICT OF INTEREST
18. GRANTS

We, the undersigned MAYOR AND RECORDER of The Town of Beverly in Randolph County, West Virginia (the "Issuer"), the undersigned Counsel to the Issuer, hereby certify in connection with the $248,258 principal amount of The Town of Beverly Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds" or the "Series 1997 A Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meanings set forth in the Bond Ordinance of the Issuer duly enacted August 21, 1997, and the Supplemental Resolution duly adopted August 21, 1997 (collectively, the "Bond Legislation").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Bonds, the acquisition and construction of the Project, the operation of the System, the receipt of the Gross Revenues, or in any way contesting or affecting the validity

of the Bonds, or any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, the pledge or application of the Net Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, the acquisition and construction of the Project, the operation of the System, the collection and application of the Gross Revenues or the pledge of Net Revenues as security for the Bonds.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System and the issuance of the Bonds have been obtained and remain in full force and effect, and competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery by the Issuer of the Loan Agreement, and the Issuer has met all conditions prescribed in the Loan Agreement entered into between the Issuer and the Authority, on behalf of the Council. The Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete the Project.

There are outstanding obligations of the Issuer which will rank either on a parity with or junior and subordinate to the Series 1997 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's Sewer Revenue Bonds, Series 1982 A (the "Series 1982 A Bonds"), dated October 28, 1982, issued in the original aggregate principal amount of $285,000, and the Sewer Revenue Bonds, Series 1982 B (the "Series 1982 B Bonds"), dated October 28, 1982, issued in the original aggregate principal amount of $86,500, (collectively, the "Prior Bonds").

The Series 1997 A Bonds shall be issued on a parity with the Series 1982 A Bonds and senior and prior to the Series 1982 B Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has met the coverage requirements for issuance of parity bonds of the Series 1982 A Bonds and the ordinance authorizing the Series 1982 A Bonds and has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature. The Issuer has obtained the written consent of the Holders of the Series 1982 A Bonds to the issuance of the Series 1997 A Bonds on a parity with the Series 1982 A Bonds. The Issuer has obtained the written consent of the Holders of the Series 1982 B Bonds to the issuance of the Series 1997 A Bonds on a senior and prior basis to the Series 1982 B Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

5. CERTIFICATION OF COPIES OF DOCUMENTS: The copies of the below-listed documents hereto attached or delivered herewith or heretofore delivered are true, correct and complete copies of the originals of the documents of which they purport to be copies, and such original documents are in full force and effect and have not been repealed, rescinded, amended or changed in any way unless modification appears from later documents also listed below:

Bond Ordinance

Supplemental Resolution

Loan Agreement

Public Service Commission Order

Infrastructure Council Approval

Charter

Oaths of Office of Officers and Councilmembers

Ordinance Creating Sanitary Board

Petition of Sanitary Board

Sewer Rate Ordinance

Minutes on Adoption and Enactment of Sewer Rate Ordinance

Affidavit of Publication of Sewer Rate Ordinance and Notice of Public Hearing

Minutes on Adoption and Enactment of Bond Ordinance and Adoption of Supplemental Resolution

Affidavit of Publication of Abstract of Bond Ordinance and Notice of Public Hearing

1982 Bond Ordinance and Supplemental Resolutions

Consent of Holder of 1982 Bonds

NPDES Permit

Evidence of Infrastructure Council Grant

Evidence of Governor's Partnership Grant

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "The Town of Beverly." The Issuer is a municipal corporation in Randolph County and is presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its Council, consisting of a Mayor, a Recorder and 5 councilmembers, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

Name			Date of Commencement of Office	Date of Termination of Office
Donald Goldizen	-	Mayor	July 1, 1997	June 30, 1999
Barbara Smith	-	Recorder	July 1, 1997	June 30, 1999
Flo Hively	-	Councilmember	July 1, 1997	June 30, 1999
Georgia Menis	-	Councilmember	July 1, 1997	June 30, 1999
Kenneth Pritt	-	Councilmember	July 1, 1997	June 30, 1999
Michael Smith	-	Councilmember	July 1, 1997	June 30, 1999
Kenneth Weese	-	Councilmember	July 1, 1997	June 30, 1999

The names of the duly appointed, qualified and acting members of the Sanitary Board of the Issuer are as follows:

Chairman	-	Donald Goldizen
Member	-	Robert Scott, P.E.
Member	-	Robert Hinzeman

The duly appointed and acting Counsel to the Issuer is David Hart, Esquire, in Elkins, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the System have been acquired or can and will be acquired

by purchase, or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which may have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Bonds.

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the acquisition, construction and financing of the Project or the operation of the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including, particularly and without limitation, Chapter 6, Article 9A, of the West Virginia Code of 1931, as amended, and a quorum of duly elected or appointed, as applicable, qualified and acting members of the Governing Body was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Bond Legislation. All insurance for the System required by the Bond Legislation is in full force and effect.

10. LOAN AGREEMENT: As of the date hereof, (i) the representations of the Issuer contained in the Loan Agreement are true and correct in all material respects as if made on the date hereof; (ii) the Loan Agreement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (iii) to the best knowledge of the undersigned, no event affecting the Issuer has occurred since the date of the Loan Agreement which should be disclosed for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information in the Loan Agreement not misleading; and (iv) the Issuer is in compliance with the Loan Agreement.

11. RATES: The Issuer has duly enacted a sewer rate ordinance on February 3, 1994, setting rates and charges for the services of the System. The time for appeal of such sewer rate ordinance has expired prior to the date hereof without any appeal, and such rates are currently in effect.

12. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond, dated the date hereof, by his manual signature, and the undersigned Recorder did officially cause the official seal of the Issuer to be affixed upon said

Bonds and to be attested by her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

13. BOND PROCEEDS: On the date hereof, the Issuer received $12,413 from the Authority and the Council, being a portion of the principal amount of the Bonds and more than a de minimis amount of the proceeds of the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the *Elkins Inter-Mountain*, a qualified newspaper of general circulation in The Town of Beverly, there being no newspaper published therein, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Council at the public hearing held at a public meeting of Council on the 21st day of August, 1997, at 6:30 p.m., at the Beverly Town Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the Recorder of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

15. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Final Order of the Public Service Commission of West Virginia entered on August 11, 1997, in Case No. 97-0866-S-CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Final Order has not expired prior to the date hereof. The parties to such Final Order have stated that they will not appeal such Final Order. The Issuer hereby certifies that it will not appeal such Final Order. Such Final Order is not subject to appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

16. SPECIMEN BOND: Delivered concurrently herewith is a true and accurate specimen of the Bond.

17. CONFLICT OF INTEREST: No officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any

corporation, in any contract with the Issuer or in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Bonds, the Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

18. GRANTS: As of the date hereof, the grant from the Council in the amount of $112,913, the grant from the Governor's Partnership Grant Program in the amount of $50,000 and the Issuer's funds in the amount of $80,000 are committed and are in full force and effect.

WITNESS our signatures and the official seal of THE TOWN OF BEVERLY on this 28th day of August, 1997.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
Donald C. Goldwyn	Mayor
Barbara J Smith	Recorder
_____	Counsel to Issuer

08/04/97
074550/97001

WITNESS our signatures and the official seal of THE TOWN OF BEVERLY on this 28th day of August, 1997.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	Mayor
_____	Recorder
_____	Counsel to Issuer

08/04/97
074550/97001

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

CERTIFICATE AS TO ARBITRAGE

The undersigned Mayor of The Town of Beverly in Randolph County, West Virginia (the "Issuer"), being the officials of the Issuer duly charged with the responsibility for the issuance of the $248,258 principal amount Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), of the Issuer, dated the date hereof (the "Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986 and applicable regulations (the "Code"). We are the officers of the Issuer duly charged with the responsibility of issuing the Bonds. We are familiar with the facts, circumstances, and estimates herein certified and are duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meanings as set forth in the ordinance authorizing the Bonds duly enacted by the Issuer on August 21, 1997 (as supplemented, the "Bond Ordinance").

2. This certificate may be relied upon as the certificate of the Issuer.

3. The Issuer has not been notified by the Internal Revenue Service of any listing or proposed listing of it as an issuer that may not certify its bonds or the certification of which may not be relied upon by holders of obligations of the Issuer or that there is any disqualification of the Issuer by the Internal Revenue Service because a certification made by the Issuer contains a material misrepresentation.

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on August 28, 1997, the date on which the Bonds are to be physically delivered in exchange for more than a de minimis amount of the principal amount of the Bonds, and to the best of our knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. The Bonds, bearing no interest, were sold on August 28, 1997, to the West Virginia Water Development Authority (the "Authority"), pursuant to a loan agreement dated August 28, 1997, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), for an aggregate purchase price of $248,258 (100% of par), at which time, the Issuer received $12,413 from

the Authority and the Council, being more than a de minimis amount of the principal amount of the Bonds. No accrued interest has been or will be paid on the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Issuer has covenanted in the Bond Ordinance not to take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Bonds which would cause any of the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Issuer has, therefore, covenanted not to intentionally use any portion of the proceeds of the Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as otherwise allowed under Section 148 of the Code. The Issuer, in the Bond Ordinance, has further covenanted that it will take all actions that may be required of it so that the interest, if any, on the Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

7. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs thereof.

8. Not later than simultaneously with the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend in excess of $100,000 on the Project, constituting a substantial binding commitment. Acquisition, construction and equipping of the Project shall proceed with due diligence to completion, and with the exception of proceeds constituting capitalized interest (if any) and proceeds deposited in the Reserve Account for the Bonds (if any), all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before February, 1998. Construction of the Project is expected to be completed by February, 1998.

9. The total cost of the Project (including all costs of issuance of the Bonds) is estimated at $491,171. Sources and uses of funds for the Project are as follows:

SOURCES

Gross Proceeds of the Bonds	$248,258
Infrastructure Council Grant	112,913
Governor's Partnership Grant	50,000
Issuer's Funds	80,000
Total Sources	$491,171

USES

Costs of Acquisition and Construction of the Project	$481,171
Capitalized Interest	-0-
Fund Reserve Account	-0-
Costs of Issuance	10,000
Total Uses	$491,171

The amount of the costs of the Project is estimated to be at least equal to the gross proceeds of the Bonds and certain grants and funds of the Issuer designated above. Except for the proceeds of the Bonds and certain grants and funds of the Issuer designated above, no other funds of the Issuer will be available to meet costs of the Project, which would constitute "replacement proceeds" within the meaning of Treas. Reg. § 1.148-1(c), inasmuch as (i) the Issuer does not reasonably expect that the term of the Bonds is longer than is reasonably necessary for the governmental purposes of the Issuer, (ii) the weighted average maturity of the Bonds does not exceed 120% of the average expected economic life of the Project, and (iii) there are no amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the proceeds of the Bonds were not used or to be used for that governmental purpose.

10. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created (or continued if previously established by the Prior Ordinances):

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Bond Construction Trust Fund;

(4) Series 1982 A Bonds Sinking Fund;

(5) Series 1982 A Bonds Reserve Account

(6) Series 1982 B Bonds Sinking Fund

(7) Series 1997 A Bonds Sinking Fund; and

(8) Series 1997 A Bonds Reserve Account.

11. Pursuant to Article VI of the Bond Ordinance, the proceeds of the Bonds will be deposited as follows:

(1) Series 1997 A Bonds proceeds in the amount of $-0- will be deposited in the Series 1997 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Bonds during acquisition and construction of the Project and for not more than six months thereafter.

(2) Series 1997 A Bonds proceeds in the amount of $-0- will be deposited in the Series 1997 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 1997 A Bonds will be deposited in the Bond Construction Trust Fund as received from the Council from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 1997 A Bonds and related costs.

Amounts in the Bond Construction Trust Fund, if invested, will be invested without yield limitation for a period necessary to complete the Project, not to exceed 3 years, except as otherwise set forth herein. All of such moneys are necessary for such purpose.

Except for "preliminary expenditures" as defined in Treas. Reg. §1.150-2(f)(2), none of the proceeds of the Series 1997 A Bonds will be used to reimburse the Issuer for costs of the Project previously incurred and paid by the Issuer with its own or other funds.

12. Moneys held in the Series 1997 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 1997 A Bonds Sinking Fund and Series 1997 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Bond Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

13. Except for the Series 1997 A Bonds Sinking Fund and the Series 1997 A Bonds Reserve Account, there are no other funds or accounts established or held by the Issuer which are reasonably expected to be used to pay debt service on the Bonds, or which are pledged as collateral for the Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Bonds if the Issuer encounters financial difficulties. The Issuer does not expect that moneys in the Renewal and Replacement Fund will be used or needed for payments upon the Bonds. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts, investment-type property or any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan producing a yield in excess of the yield on the Bonds have been or will be pledged to payment of the Bonds. Less than 10% of the moneys received from the sale of the Bonds, if any, will be deposited in the Series 1997 A Bonds Reserve Account or any other reserve or replacement fund. The amounts deposited in the Series 1997 A Bonds Reserve Account from time to time by the Issuer will not exceed the maximum annual principal of and interest, if any, on the Bonds and will not exceed 125% of average annual principal of and interest, if any, on the Bonds. Amounts in the Series 1997 A Bonds Reserve Account, not to exceed 10% of the proceeds of the Bonds, if invested, will be invested without yield limitation. The establishment of the Series 1997 A Bonds Reserve Account is required by the Authority, is vital to its purchase of the Bonds, and is reasonably required to assure payments of debt service on the Bonds.

Because amounts in the Renewal and Replacement Fund may be expended for other purposes, there is no reasonable assurance that any such amounts would be available to meet debt service if the Issuer encounters financial difficulties; thus, such amounts may be invested without yield limitation.

14. Not later than simultaneously with the delivery of the Bonds, the Issuer shall enter into a contract for the construction of the Project, and the amount to be expended pursuant to such contract exceeds the lesser of 2 1/2% of the estimated total Project cost financed with proceeds from the sale of the Bonds or $100,000.

15. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The Project is expected to be completed within 6 months of the date hereof.

16. Except for a reasonable temporary period until such proceeds are needed for the purpose for which such Bonds were issued or as otherwise allowed, no portion of the proceeds of the Bonds will be used, directly or indirectly, to acquire higher yielding investments, or to replace funds which were used, directly or indirectly, to acquire higher yielding investments, all within the meaning of Section 148 of the Code.

17. The Issuer will comply with the provisions of the Code, for which the effective date precedes the date of delivery of its Bonds to the Authority.

18. With the exception of the amount deposited in the Series 1997 A Bonds Sinking Fund for payment of interest on the Bonds, if any, and the amounts deposited in the Series 1997 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 6 months from the date of issuance thereof.

19. The Issuer does not expect to sell or otherwise dispose of the Project in whole or in part prior to the last maturity date of the Bonds.

20. The Series 1997 A Bonds Sinking Fund (other than the Series 1997 A Bonds Reserve Account therein) is intended primarily to achieve a proper matching of payments of debt service on the Bonds each year. The Series 1997 A Bonds Sinking Fund (other than the Series 1997 A Bonds Reserve Account therein) will be depleted at least once a year except for a reasonable carryover amount not in excess of the greater of 1/12th of annual debt service on the Bonds, or 1 year's interest earnings on the Series 1997 A Bonds Sinking Fund (other than the Series 1997 A Bonds Reserve Account therein). Except as otherwise allowed, any money deposited in the Series 1997 A Bonds Sinking Fund for payment of the principal of or interest on the Bonds (other than the Series 1997 A Bonds Reserve Account therein), will be spent within a 13-month period beginning on the date of receipt and will be invested without yield limitation, and any moneys received from the investment of amounts held in the Series 1997 A Bonds Sinking Fund (other than in the Series 1997 A Bonds Reserve Account therein) will be spent within a 1-year period beginning on the date of receipt.

21. The amount designated as cost of issuance of the Bonds consists only of costs which are directly related to and necessary for the issuance of the Bonds.

22. All property financed with the proceeds of the Bonds will be held for federal income tax purposes by (or on behalf of) a qualified governmental unit.

23. No more than 10% of the proceeds of the Bonds will be used (directly or indirectly) in any trade or business carried on by, and less than 5% of the proceeds of the Bonds have been or will be used to make or finance loans to, any person who is not a governmental unit.

24. The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue.

25. The Issuer shall use the Bond proceeds solely for the costs of the Project, and the Project will be operated solely for a public purpose as a local governmental activity of the Issuer.

26. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from treatment afforded by Section 103(a) of the Code by reason of classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions and refrain from taking such actions as shall be necessary to comply with the Code in order to ensure the interest, if any, on the Bonds is excludable from gross income for federal income tax purposes.

27. The Bonds are not and will not be, in whole or in part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

28. The Issuer has retained the right to amend or supplement its authorizing documents if such amendment or supplement is necessary to preserve the exclusion from gross income for federal income tax purposes of the interest, if any, on the Bonds.

29. The Issuer shall comply with the yield restriction on the proceeds of the Bonds as set forth in the Code.

30. The Issuer has either (a) funded the Series 1997 A Bonds Reserve Account at the maximum amount of principal and interest, if any, which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 1997 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 1997 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest, if any, which will mature and become due on the Bonds in the then current or any succeeding year. Moneys in the Series 1997 A Bonds Reserve Account and the Series 1997 A Bonds Sinking Fund (established for the annual payment of principal and interest) will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to pay costs of the Project.

31. The Issuer shall submit to the Authority within 15 days following the end of each bond year a certified copy of its rebate calculation or, if the Issuer qualifies for the small governmental issuer exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the bond year which would make the Bonds subject to rebate.

32. There are no other obligations of the Issuer which (a) are to be issued at substantially the same time as the Bonds, (b) are to be sold pursuant to a common plan of financing together with any of the Bonds and (c) will be paid out of substantially the same source of funds or will have substantially the same claim to be paid out of substantially the same source of funds as any of the Bonds.

33. The transactions contemplated herein do not represent an exploitation of the difference between taxable and tax-exempt interest rates and the execution and delivery of the Bonds is not occurring sooner than otherwise necessary, nor are the Bonds in principal amounts greater than otherwise necessary or to be outstanding longer than otherwise necessary.

34. The Issuer will rebate to the United States the amount, if any, required by the Code and will take all steps necessary to make such rebates. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and obtain a waiver from the Internal Revenue Service in order to maintain the exclusion from gross income for federal income tax purposes of the interest, if any, on the Bonds.

35. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds.

36. The Issuer shall file Form 8038-G in a timely fashion with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255.

37. On the basis of the foregoing, it is not expected that the proceeds of any of the Bonds will be used in a manner that would cause any of the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

38. To the best of my knowledge, information and belief, there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

39. Steptoe & Johnson is entitled to rely upon the representations, expectations, covenants, certifications and statements contained herein in rendering its opinions regarding the tax-exempt status of interest, if any, on the Bonds.

40. To the best of my knowledge, information and belief, the foregoing expectations are reasonable.

WITNESS my signature on this 28th day of August, 1997.

THE TOWN OF BEVERLY

Donald C. Goldy

Mayor

08/04/97
074550/97001

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF ENGINEER

I, Robert G. Belcher, Registered Professional Engineer, West Virginia License No. 13093, of Chapman Technical Group, Consulting Engineers, in St. Albans, West Virginia, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements (the "Project") to the existing public sewerage system (the "System") of The Town of Beverly (the "Issuer") to be constructed primarily in Randolph County, West Virginia, which acquisition and construction are being permanently financed in part by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Ordinance enacted by the Issuer on August 21, 1997, as supplemented by the Supplemental Resolution adopted by the Issuer on August 21, 1997, and the Loan Agreement dated August 28, 1997 (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council").

2. The Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying costs of issuance and related costs.

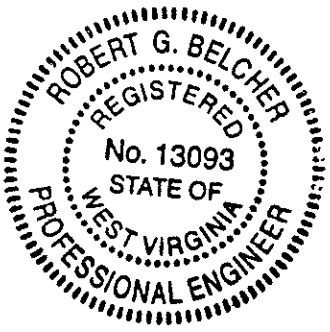
3. The undersigned hereby certifies that (i) the Project will be constructed in accordance with the approved plans, specifications and designs prepared by my firm and as described in the application submitted to the Council and the Authority requesting the Authority to purchase the Bonds (the "Application") and approved by all necessary governmental bodies, and any change orders approved by the Issuer and the Council, (ii) the Project is adequate for the purpose for which it was designed and has an estimated useful life of at least 40 years, (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application and my firm has ascertained that all contractors have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified by my firm for accuracy, (iv) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project, (v) the rates and charges for the System as adopted by the Issuer are sufficient to comply with the provisions

of Subsection 4.1(b) of the Loan Agreement, (vi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project as set forth in the Application, and (vii) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project and Sources of Funds" for the Project.

WITNESS my signature and seal on this 28th day of August, 1997.

CHAPMAN TECHNICAL GROUP

(SEAL)



Robert G. Belcher, P.E.
West Virginia License No. 13093

08/04/97
074550/97001

SCHEDULE B
Town of Beverly
Wastewater System Extension Project 97S-301
FINAL TOTAL COST OF PROJECT, SOURCES OF FUNDS AND COST OF FINANCING

A. Cost of Project	Total	WDC Loan	WDC Grant	Governor's Partnership Grant	Town of Beverly
1. Construction (Based on Actual Bids)	$312,197	$200,000	$67,197		$45,000
2. Technical Services	$107,254	$32,758	$14,496	$40,000	$20,000
3. Legal & Fiscal [2] (Accountant)	$15,000			$10,000	$5,000
4. Administrative	$10,500	$500			$10,000
5. Sites and Other Lands	$5,000	$5,000			
6. Step I or II or Other Loan Repayment	-				
7. Interim Financing Costs	-				
8. Contingency (Construction)	$43,307		$43,307		
9. Total of Lines 1 through 8	$493,258	$238,258	$125,000	$50,000	$80,000
B. Sources of Funds					
10. Federal Grants:					
a.					
b.					
11. State Grants:					
a. Governor's Partnership	$50,000			$50,000	
b.					
12. Other Grants:					
13. Any Other Source:[1]					
a. Town of Beverly	$80,000				$80,000
b					
14. Infrastructure Fund Grant	$125,000		$125,000		
15. Total of Lines 10 through 14	$255,000		$125,000	$50,000	$80,000
16. Net Proceeds Required from Bond Issue (Line 9 minus Line 15)	$238,258	$238,258	-0-	-0-	-0-
C. Cost of Financing					
17. Funded Reserve Account[2]	-				
18. Other Costs[3]					
a. Bond Counsel	$10,000	$10,000			
b.					
19. Total Cost of Financing (Lines 17 and 18)	$10,000	$10,000	-0-	-0-	-0-
20. Size of Bond Issue (Line 16 plus Line 19)	$248,258	$248,258	-0-	-0-	-0-

GOVERNMENTAL AGENCY

CONSULTING ENGINEER

DATE:

DATE:

[1] Include the proceeds of any parity or subordinate bond issue to be used for such purpose and attach supporting documentation.

[2] Consult with bond counsel and the Council before assuming a funded reserve.

[3] For example, fees of accountants, bond counsel and local counsel for the Governmental Agency.

TOOTHMAN RICE, P.L.L.C.

Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

The Town of Beverly
Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

West Virginia Water
Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25065

West Virginia Infrastructure and
Jobs Development Council
1320 One Valley Square
Charleston, West Virginia 25301

Ladies and Gentlemen:

We have examined the accompanying computations of debt service coverage of The Town of Beverly Sewerage System (the "System"). Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included such procedures as we considered necessary in the circumstances.

Based on the above computations and upon the rates and charges as set forth in the sewer rate ordinance of The Town of Beverly (the "Issuer") enacted February 3, 1994, and expected operation and maintenance expenses and anticipated customer usage as furnished to us by Chapman Technical Group, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the the System of the Issuer, will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund) (the "Bonds"), to be issued to the West Virginia Water Development Authority on the date hereof and all other obligations secured by or payable from the revenues of the System, on a parity with or junior to the Bonds, including the Issuer's Sewer Revenue Bonds, Series 1982 A and Series 1982 B (collectively, the "Prior Bonds"). It is our further opinion that the Net Revenues actually derived from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of the Bonds, plus the estimated average increased annual Net Revenues to be received in each of the three succeeding years after the completion of the improvements to be financed by the Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for principal of and interest on the Bonds and the Prior Bonds.

Toothman Rice, P.L.L.C.

Clarksburg, West Virginia
August 28, 1997

330 WEST MAIN STREET P.O. DRAWER 2408 CLARKSBURG, WEST VIRGINIA 26302-2408 PHONE 304-624-5471 FAX 304-623-2807

THE TOWN OF BEVERLY SEWERAGE SYSTEM
COMPUTATION OF DEBT SERVICE
COVERAGE-EXPECTED ANNUAL CASH BASIS REVENUES

	Existing System	Proposed Addition		Total
Expected annual sewer utility cash basis revenue				
Metered revenue	$178,844	$ 9,299		$188,143
Expected annual sewer utility cash basis expenses				
Payroll	71,738			71,738
Utilities	23,240			23,240
Supplies	2,288			2,288
Chemicals	2,205			2,205
Maintenance & repairs	1,938			1,938
Pumping & treatment	5,250	2,165		7,415
Office rent	1,800			1,800
Postage and box rent	1,747			1,747
Office supplies	1,849			1,849
Board fees	600			600
Special services	15,339	300		15,639
Transportation	976			976
	128,970	2,465		131,435
Expected annual net cash basis revenue	$ 49,874	$ 6,834	(a)	$ 56,708
Expected annual debt service requirements:				
Sewer Revenue Bonds, Series 1997A				$ 6,206
Sewer Revenue Bonds, Series 1982A				34,900
Sewer Revenue Bonds, Series 1982B				2,337
Total annual debt service requirements			(b)	$43,443
Debt service coverage (a) ÷ (b)				131%

THE TOWN OF BEVERLY SEWERAGE SYSTEM
COMPUTATION OF DEBT SERVICE
COVERAGE-ACTUAL NET REVENUES PLUS ESTIMATED AVERAGE EXPECTED
INCREASED ANNUAL NET REVENUES

	Existing System Year Ended 6-30-97	Proposed System - Expected					Existing System Plus Three-Year Expected Average of Proposed Addition
		Year One	Year Two	Year Three	Total	Three-Year Average	
Annual sewer utility cash basis revenue							
Metered revenue	$178,844	$ 9,299	$ 9,299	$ 9,299	$27,897	$ 9,299	$188,143
Annual sewer utility cash basis expenses							
Payroll	71,738						71,738
Utilities	23,240						23,240
Supplies	2,288						2,288
Chemicals	2,205						2,205
Maintenance & repairs	1,938						1,938
Pumping & treatment	5,250	2,165	2,165	2,165	6,495	2,165	7,415
Office rent	1,800						1,800
Postage and box rent	1,747						1,747
Office supplies	1,849						1,849
Board fees	600						600
Special services	15,339	300	300	300	900	300	15,639
Transportation	976						976
	128,970	2,465	2,465	2,465	7,395	2,465	131,435
Annual net cash basis revenue	$ 49,874	$ 6,834	$ 6,834	$ 6,834	$20,502	$ 6,834	(a) $ 56,708
Annual debt service requirements:							
Sewer Revenue Bonds, Series 1997A							$ 6,206
Sewer Revenue Bonds, Series 1982A							34,900
Sewer Revenue Bonds, Series 1982B							2,337
Total annual debt service requirements							(b) $43,443
Debt service coverage (a) ÷ (b)							131%

This is property of the Town Hall Beverly Drawer 219 Beverly, WV 26253 Ph- 304-636-5360

ORDINANCES

AND

BY-LAWS

OF THE

Town of Beverly

RANDOLPH COUNTY, WEST VIRGINIA

To Which Are Prefixed

THE ACTS OF ESTABLISHMENT

AND

INCORPORATION

OFFICERS OF THE TOWN OF BEVERLY

(At the Time of This Codification)

JUNE, 1930

MAYOR

M. B. ROHRBOUGH

COUNCILMEN

JAMES B. BAKER
WILLIE W. LEONARD
CLYDE V. GREYNOLDS
HARRY H. MOORE
THOMAS J. WEESE

SERGEANT

CHARLES N. WEBBER

RECORDER

DAVID WAMSLEY

PREFACE

The Council in the Town of Beverly, in office at the time of the preparation and conpilation of the following by-laws, ordinances, etc., for the government of said Town, having found that the rules and ordinances of the Town, passed by former Councils, had in part, been lost or destroyed and that the residue thereof were scattered through a mass of manuscript record of many Councils and were, therefore, not readily accessible to the public or to themselves, and deeming the preparation, compilation and codification of a systematic and complete series of ordinances a necessity, on the 5th day of May, 1930, unanimously passed the following:

"*Ordered,* That J. Floyd Strader be appointed a committee to prepare, compile and report to this Council a code of laws for the government of the Town of Beverly."

On the 2nd day of June following, said J. Floyd Strader reported the following series of rules and ordinances and thereupon the Council passed the following General Ordinances:

"*Be it ordained* by the Council of the Town of Beverly that on and after this date the following code of ordinances, rules and regulations, and none other, shall be and remain in force for the government of said Town, and the same shall be printed for circulation and for the information of all concerned, and that the Mayor shall append thereto his proclamation thereof, attested by the Recorder."

Dated this the 2nd day of June, 1930

M. B. ROHRBOUGH,
Mayor.

DAVID WAMSLEY,
Recorder.

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CHAPTER I

GENERAL ASSEMBLY OF VIRGINIA
ACT 1790 ESTABLISHING TOWN OF BEVERLY

GENERAL ASSEMBLY OF VIRGINIA
ACT 1848 ESTABLISHING *"Borough of Beverly"*

LEGISLATURE OF WEST VIRGINIA
ACT 1871 GRANTING CHARTER TO THE TOWN OF BEVERLY

CHAPTER XLV. An Act to Establish Several Towns
(*Passed the 16th of December,* 1790)

SEC. 1. Be it enacted by the General Assembly, etc.

* * * * *

SEC. 2. That twenty acres of land, the property of James Westfall, as the same are already laid off into lots and streets in the county of Randolph adjoining the land whereon the court house stands, shall be established a Town by the name of Beverly, and that John Wilson, Jacob Westfall, Sylvester Ward, Thomas Phillips, Hezekiah Rosencrants, William Wamsley and Valentine Stalnaker, gentlemen, shall be and are hereby constituted trustees thereof.

* * * * *

SEC. 8. The trustees of the said Towns respectively or a majority of them are empowered to make such rules

and orders for the regular building of houses therein as to them shall seem best, and to settle and determine all disputes about the bounds of the said lots. So soon as the purchasers of lots in the said Towns shall have built thereon a dwelling house sixteen feet square with a brick or stone chimney, such purchaser shall be entitled to have and enjoy all the rights, privileges and immunities which the freeholders and inhabitants of other Towns in this State not incorporated, hold and enjoy.

SEC. 9. If the purchaser of any lot in * * * * Beverly * * * * shall fail to build thereon within the time hereinbefore limited for that purpose (five years from the day of purchase) the trustees of the said Town where such failure shall happen, may thereupon enter into such lot and sell the same again, and apply the money for the benefit of the inhabitants of the said Town.

SEC. 10. In case of the death, resignation or removal out of the county of one or more of the trustees of the said Towns respectively, the vacancy thereby occasioned shall be supplied by the remaining trustees, and the person so elected shall have the same power and authority as if he had been particularly named in this act.

* * * * *

THE CHARTER OF THE *"BOROUGH OF BEVERLY"*

CHAPTER 298 An Act incorporating the borough of Beverly, in the county of Randolph.

(*Passed by General Assembly of Virginia, Jan.* 17, 1848)

1. BE IT ENACTED BY THE GENERAL ASSEMBLY, That the inhabitants of so much of the county of Randolph, as are contained within the boundary lines of the Town of Beverly in said county, and who may hereinafter reside within the said boundary lines, shall be and are hereby made a body politic and corporate, by the name and style of "The Borough of Beverly," and as such, and by that

name, may contract and be contracted with, sue and be sued, plead and be impleaded, answer and be answered unto, purchase, take, receive, hold and use goods and chattels, lands and tenements, and choses in action, for the proper use of the said borough, and the same may grant, sell, convey, transfer and assign, let, pledge, mortgage, charge and incumber in any case and in any manner; and may have and use a common seal; and generally shall have all the rights, franchises, capacities and powers appertaining to municipal corporations.

2. BE IT FURTHER ENACTED, That it shall be lawful for the male citizens above the age of twenty-one years, annually to meet at the court house in said borough, on the third Monday in May, and under the superintendence of a magistrate or justice of the peace of said county, elect viva voca, five persons as trustees who shall be freeholders of and in said borough, who shall before they perform any of the duties required by this act, make oath or affirm that they will faithfully and impartially perform the duties of trustees, in and for said borough, and in case of a refusal to act, resignation or removal from said borough, the remaining trustees shall supply the vacancy. The said trustees or a majority of them shall be competent to form a board and appoint a clerk, who shall record annually the certificate of the magistrate verifying the election and the qualification of the trustees, as well as the orders and proceedings, levies and assessments, fines, penalties, forfeitures and settlements; the ordinances and by-laws of the said corporation. They shall also appoint a treasurer, who, (after executing bond with approved security, payable to said corporation by its corporate name and style and in such penalty as the said trustees may direct conditioned well and truly to pay all orders or drafts upon him by order of said trustees, and faithfully to account for, and pay over all moneys re-

ceived by him, in virtue of said office) shall execute the duties of his said office as required by said trustees; and the trustees of said corporation may, at any time, upon thirty days previous notice, before any court or magistrate of said county having jurisdiction, recover against the said treasurer and his security, or either of them, such sum or sums of money, or other things as may be in the hands of him, the said treasurer and not paid or delivered over, agreeably to the order or orders of said board of trustees, or the tenor of his bond, and the general or specific duties thereunder.

3. Be It Further Enacted, That the board of trustees of said borough, are hereby authorized to establish within said borough, all markets, and to regulate the same, and to provide suitable buildings therefor; to make all by-laws and fix the amount of fine for any violation thereof; have power to abate all nuisances at the expense of those who occasion them, or in default of ascertaining that, at the expense of the owner or occupier of the ground whereon the same shall be; have power to prevent or regulate slaughter houses, or any unhealthy employment in said borough; have power to grade and pave the streets and alleys of said borough; to prevent the firing of guns or any other combustible matter; or riding or driving any animal at an improper speed in said borough; shall have power, management and control of the real and personal estate, revenue, claims, fines and funds belonging to said corporation; shall have authority to provide for the weighing of all hay, and measure of all wood, lumber, coal and boards offered for sale in said borough; shall have power to make and establish all ordinances and by-laws in order to carry into full effect the powers hereby granted; shall have power to construct and establish landings, wharves and docks on any ground belonging to said corporation, and lease or rent the same,

and establish and collect rates and taxes for using the same; shall have power to purchase ground for new streets or alleys of borough; and shall have full power and authority to sell and convey under seal of said borough, all streets and alleys or parts of streets and alleys deemed of no public convenience by said trustees, and when such sale would not lessen or impair any private right; and to receive any conveyance for any ground over which any street, alley, wharf or landing shall be made; shall have authority to ordain and enforce regulations to prevent or guard against accident by fire; shall have power to prevent hogs and other animals from running at large in said borough or subject the same to such tax as may be deemed proper; shall have power to contract with any person or persons for the conveyance to the said borough of any ground within the same, for the purpose of erecting a market house or other public building thereupon.

4. Be It Further Enacted, That it shall be lawful for the trustees of said borough to levy and collect annually a capitation tax not exceeding one dollar and fifty cents on each male citizen of said borough over the age of twenty one years; and that they shall have power to assess, levy and collect annually, on all property according to its value, now or hereafter subject to taxation, according to the revenue laws of this common wealth, such amount of tax as may be deemed proper, not exceeding fifty cents on the hundred dollars of value thereof, and upon exhibitors of any public show, clock or tin peddlers, a sum not exceeding one fourth of the tax paid to the common wealth who may exhibit or trade in said borough; and shall have power to negotiate contracts or make any loan, not exceeding three thousand dollars in any one year, for the improvement of the streets and alleys in said borough, and pledge the annual taxes for the re-

demption of such loan with interest thereon; and shall have power and authority to levy and collect as a special tax from each lot holder or owner of the same, a sum sufficient to pave the sidewalk before such lot fronting on any street, or make any other regulations or enactments in relation to all the sidewalks in said borough.

5. Be It Further Enacted, That the said board of trustees shall appoint one of its members as president, who is hereby authorized to do all acts, execute all deeds, bonds or other writings required by the said board in behalf of the said corporation; and shall also appoint a collector of taxes and levies made by said board, which collector so appointed shall have power to make distress for such taxes and levies in the same manner that sheriffs are now authorized to do in collection of the revenue due to the commonwealth, and shall be entitled to the same commission and fees; which collector, before entering upon the duties of his office, shall execute a bond with good security, payable to the said corporation, in such penalty as the board may direct, conditioned to collect and pay to the treasurer all taxes and levies assessed by the board, and placed in his hands for collection; and the said corporation may from time to time recover, in any of the courts held in said county, upon ten days previous notice, any sum remaining due from said collector, against him and his securities, or either of them, with ten per centum damage on such sums from the time it becomes due until payment.

6. Be It Further Enacted, That if any loan or loans shall be negotiated by the authority of this act, the trustees of the said borough shall not contract to pay a higher rate of interest than six per centum per annum. And the said trustees shall fix the period or periods at which such loan or loans shall be redeemable, and shall levy annually upon the male inhabitants of said borough,

above the age of twenty one years, and upon the taxable property in said borough, a sufficient sum to pay the annual interest upon such loan or loans, and create a fund for the final redemption of the principal. And the president of the board of trustees shall grant certificates for such loans, under the seal of said borough, which shall be assignable and transferable on the books of said corporation, either in person or by attorney.

7. Be It Further Enacted, That all copies purporting to be copies of the by-laws, orders and ordinances of the said board of trustees or extracts from the same, certified to be correct by the president of the board, shall be received by all courts and magistrates as legal evidence.

8. And Be It Further Enacted, That all acts and parts of acts coming within the purview of this act, are hereby repealed; and this act shall be subject to be modified and amended, as to the general assembly may deem proper.

9. This act shall commence and be in force from the passing thereof.

THE CHARTER OF *"THE TOWN OF BEVERLY"*

(*Enacted by Legislature of West Virgina, Feb.* 10, 1871)

Chapter 21. An Act to extend and prescribe the limits of the Town of Beverly and to amend the Charter of the Town enacted by the General Assembly of the State of Virginia, January 17th, 1848.

Be it enacted by the Legislature of West Virginia:

1. The corporation limits and boundaries of the Town of Beverly, in the county of Randolph, shall be as follows: Beginning at the abutment of the bridge across Files' Creek, on the west of the Staunton and Parkersburg turnpike, south of Beverly; thence north 27, east 123 poles with the east line of the tier of lots east of Wal-

nut street to a stake, the south east corner of Baker's lot; also a corner to George Buckey's lot; thence north 45, east 78 poles to a stake in Parkinson Collett's field standing a northwest course thirty five links from a white oak stump; thence north 45, west 47 poles, crossing the Beverly and Fairmont turnpike to a stake in the edge of Collett's meadow; thence with the same bearing of last mentioned pike, south 41, west 24 poles to a stake in the line between George Buckey's and the heirs of Eli Kittle, deceased; thence, with their division line north 65, west 34 ½ poles to a stake in the stone quarry of said Kittle's corner; thence, with another of their lines south 17, west 41½ poles to a spanish oak stump, their corner; thence with another of their lines and passing their south west corner, south 27, west 178 poles to the middle of Files' creek; thence, up the same with the meanders thereof about 55 poles to the beginning.

2. The municipal authorities of said Town shall be a Mayor, three Councilmen, a Sergeant, Recorder, Treasurer, Assessor and a Superintendent of roads, streets and alleys, all of whom shall be elected annually by the citizens and owners of real estate in said corporation (who may be entitled under this act to vote) except the Recorder, Assessor and Treasurer, who shall be appointed by the Council from among their own number, and all of whom together shall constitute a common Council, a majority of whom shall constitute a quorum to transact business.

3. The bond of the Sergeant and Treasurer shall be in such penalty, not less than three hundred dollars, as the Council may prescribe.

4. The Mayor, Sergeant, Superintendent of roads, streets and alleys and the Councilmen, so soon as they shall have been elected, and qualified, as hereinbefore provided, shall be a body politic by the name of "The

Town of Beverly" and shall have perpetual successive and a common seal, and by that name may sue and be sued, plead and be impleaded; may purchase and hold real estate and other property necessary to enable them the better to discharge their duties, and needful for the good order, government and welfare of the said corporation as provided for by the Code of West Virginia, in the 47th Chapter thereof, not inconsistent with this act.

5. The term of office shall be (except when to fill vacancies) for one year and until their successors have been elected and qualified as hereinafter provided.

6. All officers of said corporation must be voters therein and entitled to vote for members of its common Council.

7. The first election under this act shall be on the first Monday in May, 1871, in the Town of Beverly, under the supervision of a Justice and Inspector of elections of Beverly township, and annually thereafter on the same day, under such supervision, rules and regulations as the Council may prescribe. The officers conducting the first election shall grant a certificate of election to the persons elected, which certificates shall be recorded in the journal kept by the Council.

8. All white male persons residing in said Town, or owning real estate therein, and who shall have paid the town taxes, if any assessed against them for the preceding year, shall be entitled to vote at all elections held in pursuance of this act, but no person who is a minor, or of unsound mind, or a pauper, or who is under conviction of treason, felony or bribery in any election, or who has not been a resident of the State for one year, and of the said Town or owning real estate therein for six months next preceding the day of election, shall be permitted to vote while such disability continues.

9. At all elections the vote shall be by ballot, and

when two or more persons for the same office at any election shall receive an equal number of votes, the person or persons conducting such election shall decide which of the said persons shall be returned elected. And all contested elections shall be determined by the Council for the time being. And when a vacancy shall occur, the vacancy shall be filled by appointment of the Council.

10. The Mayor, Recorder, Treasurer, Sergeant, Assessor, Councilmen and Superintendent of roads, streets and alleys, shall each before entering upon their duties, and within ten days after notice of his election, make oath or affirmation before an officer authorized to administer oaths that they will truly, faithfully and impartially discharge the duties of their said office respectively, so long as they shall continue therein. And if any of these officers shall fail within ten days so to qualify, his office shall be vacant.

11. The Council shall be presided over at its meetings by the Mayor, or in his absence by one of the Councilmen chosen by a majority of the Council, and a majority of the Council shall be necessary to constitute a quorum to do business. The Council shall cause to be kept in a well-bound book, an accurate account of its proceedings, by-laws, acts and orders, which shall be open to the inspection of the voters of the Town. The proceedings of the last meeting shall be read to the Council, corrected when necessary, and signed by the person presiding for the time being. Upon a call of any member, the ayes and noes in any question shall be called and recorded in the journal. The Mayor shall vote only in case of a tie, and shall have the casting vote.

12. The Council so constituted shall have power within said Town to lay off, open, curb and pave streets, alleys and gutters for the public use, and to alter, improve and to light the same, as well as the streets and alleys

kept in good order and free from obstructions on or over them; to regulate the width of streets and sidewalks and to order the sidewalks, footways and gutters to be curbed, paved and kept in good order, free and clean, by the owners of the adjacent property; to lay off public grounds and provide and contract for, and take care of, public buildings proper to the Town; to prevent injury or annoyance to the public, or individuals from any thing dangerous, offensive or unwholesome; to abate or cause to be abated anything, which, in the opinion of a majority of the whole Council, shall be a nuisance; to regulate the keeping of gunpowder and any other combustible; to provide for the burial of the dead and for this purpose, may purchase and hold land necessary for a cemetery near or convenient to said Town, and provide for its improvement and security; to provide for making division fences, and for shade and ornamental trees, and against danger or to prevent hogs and other animals from running at large in said Town; to provide a revenue for the Town and appropriate the same, and to provide the annual assessment of taxable persons and property of the Town; to adopt rules for the government of its own body, and to promote the general welfare of the Town, and protect and preserve peace and good order therein; to appoint such officers as they may see proper; to define their powers and prescribe their duties, fix their term of service and compensation, require and take from them bonds with such security and in such penalty as the Council may determine, conditioned for the true and faithful discharge of their duties; all bonds to be made payable to the Town in its corporate name; to regulate and provide for weighing and measuring hay, coal and other articles sold, or for sale in said Town; and to regulate the transportation thereof through the streets, and generally to do such things as the Council shall deem

necessary for the interest, prosperity, peace and good order of the citizens of said Town. To carry into effect these enumerated powers and all others conferred upon the said Town, or its Council, expressly, or by implication, in this or any other acts of the Legislature; the Council shall have power to adopt and enforce all needful orders, by-laws and ordinances not contrary to the Constitution and laws of this State, and to prescribe, impose and enforce reasonable fines and penalties, included imprisonment for a term not exceeding thirty days, under the judgment and order of the Mayor of said Town, or the person lawfully exercising his functions. The Council may have the right to use the jail of said county for the purpose of carrying into effect the administration of its affairs.

13. The annual levy ordered by the Council may be upon all male persons within said Town over the age of twenty-one years, and on all real and personal estate, not exempt from State taxation, and on all other subjects in said Town, as may at the time be assessed with State taxes; provided the tax does not exceed fifty cents on every hundred dollars of the value of the real and personal property, and such property embraced in said corporate limits shall be exempt from county levy.

CHAPTER II

Municipal Corporations

It is ordered by the Council of the Town of Beverly, that Chapter (8) "Municipal Corporations" of the Code of the State of West Virginia, adopted by the Legislature of said State in extraordinary session in the month of April, 1930, and to become effective on January 1st, 1931, be and the same is hereby, so far as applicable thereto, made part of the by-laws and ordinances of said Town, and any future amendments or additions to said Chapter 8 of future Legislatures shall be made part hereof so far as applicable.

CHAPTER III

Standing Rules of the Council

RULE

1. Meeting where and when held.
2. Power to call special meetings.
3. Mayor to preside at meetings.
4. Who to preside in absence of Mayor.
5. Questions of order decided by whom.
6. Members explanation and appeal.
7. Appeals from decision of Mayor when put.
8. Such appeals, how put.
9. Each member to vote unless excused.
10. When motion to be in writing.
11. Debated motion, when it may be withdrawn.
12. Order of proceedings.
13. Minutes to be read, signed and attested.
14. Order of proceedings, how changed or suspended.
15. Questions, how put to vote, division when called.
16. Of the previous question.
17. Of division of a question.
18. When the ayes and nays taken and recorded.
19. Protest of member, when entered on journal.
20. Names of members called in alphebetical order.
21. Of the passage of ordinances.
22. Of privileged motions.
23. Motion to adjourn always in order.
24. Motions not debatable.
25. Recommitment of orders or resolutions.

26. Mayor to give notice of special meetings.
27. Committees, how appointed.
28. Of standing committees.
29. Committee composed of what number.
30. Report of committee to be in writing.
31. Leave of absence.
32. Charges against officers to be in writing.
33. Orders of debate.
34. Fine for absence from meeting.

Rule 1. The meetings of the Council shall be held at the council chamber, at such times as may be fixed by general orders or by special orders of adjournment.

Rule 2. The Mayor, presiding officer of the Council, or any three members thereof, shall have power to call special meetings by reasonable notice to each member within town.

Rule 3. The Mayor shall take the chair at the hour appointed for the Council to meet, and having called the members to order, shall preserve decorum and enforce a strict observance of these rules.

Rule 4. In the absence of the Mayor, the Recorder shall preside; and in the absence of the Mayor and Recorder, the Council may appoint a chairman, or presiding officer, by a vote of a majority of the members present, who shall exercise all the powers and discharge all the duties pertaining to the office of Mayor during the absence of the Mayor and Recorder.

Rule 5. All questions of order shall be decided by the Mayor, or presiding officer, subject to appeal to the Council.

Rule 6. If any member transgress the rules of the Council, the Mayor shall, or any member may call him to order; in which case the member called to order shall immediately sit down and be silent, unless permitted by

the Council to explain; and the Council, if appealed to, shall decide the matter.

RULE 7. An appeal from the decision of the Mayor, or presiding officer, upon a question of order, shall be allowed to be put, upon the demand of one member besides the appellant.

RULE 8. The question upon an appeal shall be put in the following form substantially: "Shall the decision of the chair be reversed?"

RULE 9. Every member present when a vote is put, shall vote, unless the Council for special reasons shall excuse him; but the vote of no member shall be counted upon any question in which such member is interested pecuniarily or otherwise than a resident or tax-payer of the town.

RULE. 10 Every motion or proposition shall be reduced to writing, if the Mayor or any member demand it.

RULE 11. When a motion has been made and seconded, it shall be deemed to be in the possession of the Council, and shall be stated by the Mayor, or being in writing shall be read by the Recorder, previous to debate; such motion may be withdrawn at any time before decision or amendment, upon consent of the Council.

RULE 12. The order of proceedings at the meetings of the Council shall be as follows:

First—The unfinished business appearing on the minutes.

Second—Report of committees.

Third—Reports from any officer or officers of the town.

Fourth—Petitions of all kinds.

Fifth—Original propositions from any member.

RULE 13. At each meeting the journal of the preceding meeting shall be first read, and being approved,

shall be signed by the Mayor and attested by the Recorder.

RULE 14. The order of proceedings may be suspended or changed at any meetiing, for the time only, by a vote of a majority of the members present.

RULE 15. All questions shall be put substantially in this form: "As many as are in favor," (as the case may be) "say Aye!" "Contrary, No!"—and in doubtful cases, or when an affirmative vote of two-thirds of the members present is necessary to carry the proposition, the Mayor may direct, or any member call for a division.

RULE 16. The call for the previous question shall be decided by the following proposition; "Shall the Main Question be Put?" The call to be admitted only on demand of two members, and until decided shall preclude all amendment or debate of the main question.

RULE 17. Any member may call for a division of the question when the same will admit thereof.

RULE 18. The ayes and nays shall be taken and recorded upon any question before the Council upon the demand of any one member, but such call shall not preclude amendments before the main question is put.

RULE 19. Any one member shall have the right to protest against any ordinance, resolution or order of the Council which he may think injurious to the public or to any individual, and have the reasons for his protest entered upon the journal.

RULE 20. When the names of the members of the Council are called, to vote upon any question, they shall be called in alphebetical order.

RULE 21. The first reading of an ordinance proposed shall be for information, and if objections be made, the question shall be, "Shall the Proposition be Rejected?" If no objection be made, or the question to reject

be lost, the ordinance shall go to a second reading without further question, after which it shall be subject to amendment or debate. No ordinance shall be put to final passage until it shall have its third reading.

RULE 22. When a question is before the Council, no motion shall be received unless to amend, postpone, or commit the main question, or to adjourn.

RULE 23. A motion to adjourn shall always be in order, except when the Council is engaged in voting.

RULE 24. Motions to adjourn or lay on the table, shall be decided without debate.

RULE 25. An ordinance or resolution, after reference to a committee and a report thereon, may be recommitted at any time previous to its final passage.

RULE 26. The Mayor shall give to each member of the Council notice of the time and place of each special meeting.

RULE 27. All standing committees shall be appointed by the Council; all select committees shall be appointed by the Mayor, subject to approval by the Council.

RULE 28. The standing committee shall be as follows, viz: On Ordinances. On Finance. On Sanitation.

RULE 29. The standing committees shall each consist of three members, unless otherwise ordered at the time of appointment.

RULE 30. All reports of committees, unless special permission to the contrary be given by the Council, shall be in writing, signed by at least two members thereof and shall specify in the form of a resolution or ordinance at the close of the report, such action in the premises as the committee may recommend as proper for the Council to adopt.

RULE 31. No member shall leave a meeting of the Council without permission.

RULE 32. Charges against any officer of the town

shall be preferred in writing, verified by affidavit, and having been read, shall be laid on the table or referred to a committee for investigation without debate.

RULE 33. When a member is about to speak, he shall arise and respectfully address himself to the Mayor; when more than one member claims the right to speak at the same time, the Mayor shall pronounce the name of the member entitled to speak. No member shall speak more than twice on the same question without express leave from the Council.

RULE 34. Any member wilfully or negligently absenting himself from any meeting of the Council, after having had due notice of the time and place of such meeting shall forfeit and pay a fine of one dollar for every such offense; but the Council, for good cause shown, may remit any fine imposed under this rule.

CHAPTER IV

Elections

Section

1. Time and place of holding.
2. Appointing commissioners and clerks.
3. When polls are to be opened.
4. Oath of officers.
5. Qualified voters.
6. Recorder to provide poll books, etc.
7. Heading on poll books.
8. Method of voting.
9. Ballots, etc., to whom delivered.
10. Results declared by Council.
11. Contest.
12. Failure to qualify.
13. Fees for election officers.
14. Tie vote, how decided.

Sec. 1. The annual town elections shall be held on the first Tuesday in June, at such place as the Council may designate. Special elections for special purposes may be held at such time and place as the Council may designate.

Sec. 2. The Council shall, before each town election, annual or special, appoint three qualified voters, residents of the town, to act as commissioners of the election, and said commissioners shall appoint two clerks to assist in holding the election. Any one or more of said commissioners, in the absence, or refusal, or inability of the

others to act, may call to his or their assistance any qualified voter or voters present to supply the vacancy. And if all the commissioners so appointed fail to attend, or refuse to act, then the qualified voters present, being not less than five in number, shall elect, by a viva voca vote, three quilified voters to act as such commissioners.

Sec. 3. At every election the polls shall be opened on the day of such election as soon as practible after sunrise, but not before, and shall be closed at sunset.

Sec. 4. Every commissioner and clerk, appointed as aforesaid, shall, before entering upon the discharge of his duties, take and subscribe an oath to the following effect: "I, A. B., do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that in the election about to be held, I will faithfully and impartially discharge the duties of my appointment to the best of my skill and judgment, so help me God." Said oath may be taken before any person authorized to administer oaths, and shall appear, properly certified, on each of the poll books of every election.

Sec. 5. All persons who have been bona fide residents of the town for six months next preceding an election held therein, and who are qualified voters under the constitution and laws of the State of West Virginia, and who have paid the town taxes, if any, assessed against them for the year next preceding, and none others, shall be entitled to vote at any election held in and for said town. And for the purposes of this section no person shall be deemed a resident of said town by reason of being a student of any school therein or being stationed therein for any temporary purpose.

Sec. 6. The Recorder shall, at the expense of the town, provide for each election and cause to be delivered in proper time, at the place of voting, two poll books,

with blank forms for the oaths of the commissioners and clerks written or printed thereon, ballot boxes, tally sheets for returns, and whatever else may be necessary for holding the election and making due returns thereof.

SEC. 7. Every poll book shall bear on the first page thereof the following heading: "Names of all persons voting at the election held within and for the town of Beverly, this —— day of ———."

SEC. 8. The mode and manner of voting, and the duties of the commissioners in conducting said elections and ascertaining and certifying the results thereof, shall be the same as that prescribed by the Statutes of this State in regard to general elections.

SEC. 9. Within one day after the day on which the election was held, the commissioners, or one of them, shall deliver the ballots, sealed up as provided by law, and one set of the poll books and one of the certificates required by law, to the Recorder, and the other certificate and set of poll books to the Clerk of the County Court of Randolph county.

SEC. 10. The Council shall, on the fifth day, (Sunday excepted) , after each election, meet and canvass the returns of the commissioners, declare the result, and cause certificates to be issued to the successful candidates if demanded. The proceedings of such meeting and the result of said election shall be entered upon the journal as the proceedings of other meetings. The Council shall, at said meeting, upon the demand of any candidate voted for at such election, open and recount the sealed package of ballots, but in such case they shall seal up the same again, together with the original envelope in another envelope, making endorsement thereon as required by law.

SEC. 11. Before declaring the result of any election, the Council shall hear and determine any contest. If

any person desired to contest any election, he shall file notice thereof with the Recorder withing two days after such election, and shall give a similar notice to the party affected thereby. The Mayor shall thereupon convene the Council at once to hear and determine such contest.

SEC. 12. If any person elected to an office shall fail to qualify within ten days after notice of his election, he shall be deemed to have abandoned all claim to the office, and the Council shall at once proceed to fill the vacancy. Fraudulent or corrupt practices in connection with any election on the part of any candidate, or in his behalf, shall vitiate his election, and the Council, upon sufficient proof of such practices on the part of any candidate or in his behalf, may declare his opponent elected or the office vacant, and proceed to fill it as in the case of other vacancies.

SEC. 13. Each commissioner and clerk of elections shall be allowed two dollars for each day he shall so serve.

SEC. 14. Whenever two or more persons shall recieve an equal number of votes for the same office, if such number be the highest cast for such office, the persons under whose supervision the election is held, shall decide by lot which of them shall be returned as elected, and shall make their return accordingly.

CHAPTER V

OFFICERS
(Duties, Fees, Etc.)

SECTION

1. Appointment of officers.
2. Duties and oaths of officers.
3. Mayor casting tie vote.
4. Duties of Mayor.
5. Duties of Recorder.
6. Duties of Assessor.
7. Duties of Sergeant.
8. Depository.
9. Sergeant to be Superintendent.
10. Duties of Finance Committee.
11. Duties of Ordinance Committee.
12. Duties of Sanitation Committee.
13. Vacancies, how filled.
14. Salaries of Officers.
15. Fees of Witnesses.
16. Fees of Officers.
17. Penalty for neglect of duty.

SEC. 1. The Council shall, annually, at its first meeting in July, or as soon thereafter as practicable, advertise for sealed bids for the Sergeant, who shall also act as Superintendent of roads, streets and alleys, and hire the responsible person, who, in the opinion of the Council, will make the best officer.

SEC. 2. The duties and powers of the various officers shall be as prescribed by the charter, amended by chapter 8, "Municipal Corporations," of the code of this State, subject to modification by ordinance or resolution of the Council. Before entering upon the discharge of his duties, every person elected or appointed to office in said town shall, within ten days after notice of his election or appointment, take and subscribe the following oath or affirmation: "I, A. B., do solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution of this State, and that I will faithfully and impartially discharge the duties of the office of ————, of the town of Beverly, to the best of my skill and judgment, so help me God." The oath shall be taken before the Mayor or any person authorized to administer oaths, and a certificate thereof shall be filed with the Recorder and entered upon the journal of the Council.

SEC. 3. The Mayor shall vote only in case of a tie and shall have the casting vote.

SEC. 4. The Mayor shall be chief executive officer of the town, and shall take care that the orders, by-laws, ordinances, acts and resolutions of the Council are faithfully executed. He shall be ex-officio a justice and conservator of the peace within the town, and shall within the same, have, possess and exercise, all the power and perform all the duties vested by law in a justice of the peace, except that he shall have no jurisdiction in civil cases of causes of action arising out of the corporate limits of said town. He shall have the same power to issue attachments in civil suits as a justice of his county has, though the cause of action arose out of his said town. But in such cases, he shall have no power to try the same, but such attachment shall be returnable and be heard before some justice of the county

Property of the

of Randolph. Any warrant or other process issued by him may be executed at any place within the county aforesaid. He shall have control of the police of the town, and may appoint special police officers whenever he deems it necessary; and it shall be his duty, especially, to see that the peace and good order of the town are preserved, and that persons and property therein are protected, and to this end he may cause the arrest and detention of all rioters and disorderly persons in the town before issuing his warrant therefor. He shall have power to issue executions for all fines, penalties and costs imposed by him, or he may require the immediate payment thereof, and in default of such payment he may commit the party in default to the county jail until the fine or penalty and cost shall be paid; but the term of imprisonment in such case shall not exceed thirty days. He shall from time to time, recommend to the Council such measures as he may deem needful for the welfare of the town. The expense of maintaining any person committeed to the jail of the county by him, except it be to answer an indictment, shall be paid by the town. But such Mayor shall not receive any money belonging to the State, or to individuals unless he shall give the bond and security required of a justice of the peace by the code of this State; and all the provisions of said code relating to moneys received by justices, shall apply to like moneys received by such Mayor.

SEC. 5. The Recorder shall keep the journal of the proceedings of the Council, and have charge of and preserve the records of the town. Said journal shall be kept in a well-bound book provided by the Council for the purpose, shall be an accurate account of all the proceedings, by-laws, acts, resolutions and orders of the Council, and shall be open to the inspection of the voters of the town. If no Assessor is appointed for the town by

the Council, it shall be the duty of the Recorder to make a copy from the County Assessor books of the assessment of the property within the town subject to taxation and report the same to the Council on or before the 1st day of September of each year. The Recorder shall each year after the assessment of the property within the town make out the tax receipts and deliver the same to the Sergeant, taking his receipt for them. The Recorder, at each meeting, shall make up a financial statement of the condition of the town from the Sergeant's report, bank deposits and his records, showing expenditures and record the same at the bottom of the record of that meeting. In the absence from the town, sickness, inability or refusal to act of the Mayor, or during any vacancy in the office of the Mayor, the Recorder shall perform the duties of the Mayor and be invested with all his powers. The Recorder shall be keeper of the seal of the town and shall affix the same, when necessary, or required by ordinance, or by order of the Council, to any deed or other paper.

SEC. 6. It shall be the duty of the Assessor, if one shall be appointed by the Council, to make an assessment of the property within the town subject to taxation, substantially in the manner and form in which assessments are made by the Assessor of the county, and return the same to the Council on or before the 30th day of June in each year, and for this purpose he shall have all the powers conferred by law on county assessors. He shall list the number of dogs in the town, and the names of the persons owning the same, which list shall be returned to the Council.

SEC. 7. It shall be the duty of the Sergeant to collect the town taxes, fines, levies, assessments, and all other moneys that may be due the town, and deposit to the account of the Town of Beverly in the bank designated as the depository by the Council, and in case the same

are not paid within one month after they are placed in his hands for collection, he may distrain and sell therefor in like manner as the officer collecting the State taxes may distrain therefor, and he shall have, in all other respects, the same power to enforce the payment and collection thereof. And the said Sergeant shall have all the powers, rights and privileges within the corporate limits of said town, in regard to the arrest of persons, the collection of claims, and the execution and return of process that can be legally exercised by the constable of a district within the same, and he shall be entitled to the same compensation therefor, and he and his sureties shall be liable to all the fines, penalties and forfeitures that a constable of a district is liable to for any failure or dereliction in said office, to be recovered in the same manner and in the same courts that fines, penalties and forfeitures are now recovered against said constable. The Sergeant shall, before entering upon the duties of his office, execute a bond, conditioned according to law, with surety satisfactory to the Council, payable to the town, in such penalty, not less than one thousand dollars, as the Council may prescribe.

The duties of the Sergeant shall further be to act as Superintendent of roads, streets and alleys and shall perform all the duties and have all the powers prescribed for the said Superintendent herein. He shall take charge and keep mowed and clipped the "Public Square", remove any and all dead animals from the streets and alleys of the said town and see that the electric lights are in order and report any that are out for the preceding month at each Council meeting.

It shall be the duty of the Sergeant during his continuance in office, to render an account of the taxes, fines, penalties, assessments and other claims placed in his hands for collection each month, and return a complete

list of such as he shall not have been able to collect by reason of insolvency, removal or other cause; to which list he shall make affidavit that he has used diligence to collect the same, but has been unable to do so; and if the Council shall be satisfied of the correctness of said list, it shall allow the Sergeant a credit for said claims.

If the Sergeant shall fail to collect, account for, and deposit in the bank designated by the Council in the name of the town, all or any of the moneys with which he may be chargable, belonging to the town, according to the condition of his bond, it shall be lawful for the Council to recover the same by action or motion, in the corporate name of the town, in the circuit court of the county of Randolph; or when the sum does not exceed three hundred dollars, before a justice of the district in which said town is situated, against the Sergeant and his sureties, or any or either of them, or his or their executors or administrators, on giving ten days notice of such motion.

The Sergeant, his deputies and assistants, shall see that peace and good order are preserved throughout the town, both night and day; shall prevent the breach of any ordinance, if possible, and shall arrest all offenders promptly; and shall, upon order of the Mayor, deliver to the jailer of the county of Randolph any person in custody to be held subject to the further orders of the Mayor. The Sergeant and his deputies shall, when on duty, wear such uniform or badge as may be prescribed by resolution of the Council.

That the Sergeant of this town is authorized and is hereby empowered to enter any public place of business in said town to make, or follow up and arrest, persons guilty of any offenses against the ordinances of the town, and that the Sergeant is further authorized to enter any public place of business where disturbances are going on and arrest the person creating the same.

SEC. 8. The office of Treasurer is discontinued and a bank shall be by the Council designated as a depository for its funds.

The Sergeant shall deposit all moneys of the town to its account in said depository.

All bills against the town shall be paid by check on its account, countersigned by the Mayor and Recorder.

SEC. 9. The Sergeant shall be the Superintendent of roads, streets and alleys, shall have charge of the "Public Square," roads, streets, alleys, sidewalks, culverts, sewers, bridges and other property of the town, and shall see that the same are kept free from obstruction, clean and in good repair. He shall from time to time recommend to the Council such improvements as he may deem proper to be made, and report the probable expense thereof. It shall be his duty to keep a complete list of all persons and teams employed, and of all material used by him in construction or repair of the roads, streets, alleys, side walks, cross-walks, culverts, sewers, bridges, and gutters of said town, and report the same to the Council at its meeting each month.

SEC. 10. It shall be the duty of the Finance Committee to examine and report on the collections, accounts and the amount deposited in the bank by the Sergeant to the credit of the town, the annual levy, all bonds and any other duties required by the Council.

SEC. 11. The Committee on Ordinances shall draft, examine and recommend necessary orders, resolutions, rules and ordinances, and shall perform such other duties as the Council may require.

SEC. 12. The committee on Sanitation shall annually, on or before the first day of July, and oftener if required, make a careful examination into the condition of all privies, pig-pens, stables, drains, ditches, sewers, and other places which are or may become nuisances in

the town and affect the public health, and report the same to the Council. The Sergeant shall be a member of this committee. The Sergeant shall, at any time, promptly upon notice, cause to be removed from the town any dead animal or other decaying substance to which is or may become offensive or injurious to the public, or to any citizen of the town. If such removal be from any lot, it shall be at the expense of the owner or occupant of such lot; if from any road, street or alley of the town, and no person be found who can be held liable for the removal thereof, then such removal shall be made at the expense of the town.

SEC. 13. Vacancies in the office of the Mayor or Councilmen, shall be filled by appointment by the Council until the next town election. All officers shall continue in office until their successors are duly elected, or appointed, and qualified.

SEC. 14. The Mayor, Recorder, Sergeant and Assessor shall each receive a compensation for his services, to be fixed by the Council, which compensation shall not be increased or diminished during the term for which the receipient shall have been elected or appointed.

SEC. 15. Witnesses for the town shall be allowed the same fees as witnesses before a justice.

SEC. 16. The following officers shall be entitled to charge the following fees, to be taxed as part of the costs in any case, or to be paid by the party at whose instance the services are rendered, but in no instance to be paid out of the treasury of the town, to-wit:

The MAYOR: For all services in a case before him, the same fees as a justice of the peace.

The SERGEANT or other police officer: For making an arrest, one dollar, where the body is actually taken; and for each necessary assistant, one dollar. For other services, the same fees as a constable in similar cases.

The Recorder: For making copies from books or papers in his possession, a specific fee of twenty-five cents, or in lieu thereof, ten cents for every hundred words.

Sec. 17. Any officer who shall knowingly neglect any of the duties of his office, as prescribed by the charter or ordinances of the town, shall, upon conviction thereof before the Mayor, when no other penalty is specifically provided therefor, forfeit and pay a fine of not less than one or more than twenty dollars. In case of the Mayor, the fine may be imposed upon conviction before the Council. The fine imposed, upon conviction under this section, may be deducted from the salary or compensation of the offender: Provided, That the total amount of such fines imposed in any one year shall not exceed the salary or compensation of the officer for that year.

CHAPTER VI

GENERAL POLICE AND MISCELLANEOUS ORDINANCES

Sec. 1. It shall be unlawful for any person to do, or cause to be done, any act or thing, contrary to the laws of morality, decency and good behavior, or that may infringe upon the rights of another.

Sec. 2. It shall be unlawful for any person to commit or perpetrate any indecent, immodest, lewd or filthy act, or utter any lewd, filthy or profane language in any street, alley or other public place, or in any private place, to the annoyance of the public or of any individual.

Sec. 3. It shall be unlawful for any person to make any indecent or immoral exhibition or exposure of his person, or to cause, or to procure any person to do the same in the presence, or view of any other person, or to appear in any street, alley, or other public place in the state of intoxication.

Sec. 4. It shall be unlawful for any person to publicly exhibit any indecent painting, engraving or print, sculpture, picture or representation, or to print, engrave, make, sell or offer or exhibit for sale any indecent, immodest or lascivious books, pamphlets, papers, pictures or statuary.

Sec. 5. It shall be unlawful for any person to commit or cause any riot, noise, disorder or tumult within the town, or to use toward any one any abusive or insulting language, tending to violence and breach of the peace.

SEC. 6. It shall be unlawful for any one to commit an assault or battery, or aid and abet or encourage any one in doing so.

SEC. 7. It shall be unlawful for any person or persons to idly loiter upon, at, or near any bridge, dwelling-house, church, hotel, street, alley or sidewalk, or in any vacant lot or board yard, or to wander about the streets by day or night, not having a known place of abode or means of livelihood, and not able to give a satisfactory account of himself, or to be in any gambling house or room used for the purpose of gambling therein.

SEC. 8. It shall be unlawful for any person, on any bridge, side-walk, street or alleys to conduct himself in a manner annoying to persons passing by, or to occupants or residents of adjoining building, or to ring any door bell, or rap on any door or window, to annoy or deceive the inmates of any house, office, store or shop.

SEC. 9. It shall be unlawful for any person not the owner thereof, to trespass, cut or injure any shade or ornamental tree; to deface, remove, injure or destroy any tombstone, monument or flower, or other thing of value in any cemetery, public square, yard, garden, lot, street, alley or public place, or to maliciously or intentionally engrave, deface, mutilate or destroy any of the property of the town or any church, school house, house, fence, railing, wall or any goods and chattels, the property of any other person without the consent of the owner thereof; or to carry off from any building, enclosure, lot or railroad yard, any property not his own, without the consent of the owner of such property, or of the person having it in custody.

SEC. 10. It shall be unlawful for any person to throw water, slop, offal, ashes, shavings, coal, cinder, mud, dung or other filth from his house, kitchen, stable, hog-pen or premises, or any tacks, nails, barb wire, glass

or tin cans into or upon any street, alley, side-walk or public place, or upon the lot or property of another, or permit or suffer the same to be done by any person in his employment or belonging to his family, or allow any offensive liquid to be discharged from any house, factory or lot, upon any street, alley or side-walk. Nor shall any person suffer or permit the waste water from his house or kitchen to run or flow upon the property of another, or into or upon any street, alley or public place, where there are sewers on such street, alley or public place accessible to such house. In no case shall the waste water be allowed to run over the side-walks, but the owner of the property shall provide the necessary means to carry such waste water under the side-walk into the sewer or gutter by a closed drain or piping. Nor shall any person change the natural drainage so as to throw the water from his lot on the lot of another without such other's permission, or upon any street, alley, or public place, without the permission of the Council.

SEC. 11. It shall be unlawful for any person to obstruct any street, alley, sidewalk, crossing, or public place, by allowing any wagon, cart or other vehicle or any coal, coke, wood, ashes or other filth, or any brick, stone, or other material being used in building, or any incumbrance whatever, to remain on such street, alley, sidewalk, crossing, or public place, an unreasonable time. It shall be unlawful to sell at public auction (officers of the law excepted), any goods, wares and merchandise on the streets and sidewalks, or to lead or drive any animals, automobile, truck or motor driven vehicles, on any sidewalk, except in cases of necessity, or to shoe horses or other work animals thereon, or to permit any such animals, automobile, truck or motor driven vehicles to stand on any such sidewalk or street crossing, or to obstruct

the streets, alleys and sidewalks for any purpose whatever unnecessarily.

SEC. 12. It shall be unlawful for any person to obstruct any sewer or gutter, or to allow any cess-pool or privy vault to empty therein.

SEC. 13. It shall be unlawful for any person to dig or break up any of the streets, alleys, sidewalks, or public places without the permission of the Council, or to allow any excavation in a street, alley, sidewalk, or public place, to remain open without proper barricades around the same.

SEC. 14. It shall be unlawful for any person, without the permission of the Council, to obstruct the streets, alleys or sidewalks in any manner to any extent by building porches, porticoes, verandas, balconies, bay or show windows, steps, areas, fences, walls or railings, or erecting gasoline tanks and pumps, sign posts, signs, lamps, hitch racks, or awnings, or by continuing any such porches, porticoes, verandas, balconies, bay or show windows, steps, areas, fences, walls, railings, hitch racks, gasoline tanks and pumps, sign posts, signs or awnings already erected on or over any sidewalk, street or alley, after notice in writing to remove the same has been served upon the owner thereof by direction of the Council.

SEC. 15. It shall be unlawful for any person to fly a kite, play at football, baseball, bandy or shinny, or engage in any play, sport or exercise which might produce any bodily injury to any one, or endanger the life or property of any person, on any street, sidewalk, alley, bridge or public place.

SEC. 16. It shall be unlawful for any person to gallop any horse, gelding, mule or ass, or ride or drive any such animal at an improper or dangerous speed, or to run or race any such animal, or start the same for the purpose of running or racing within any of the streets

or alleys; or to suffer any such animal to stand on any street, alley, road or public place within the town without being properly fastened, or being watched by some person competent to prevent the same from starting.

SEC. 17. It shall be unlawful for any person, without permission from the Council, to keep any slaughter house, or to kill or slaughter for sale any animal within the jurisdiction of the town, and every day such slaughter house shall be so kept shall constitute a distinct offense.

SEC. 18. It shall be unlawful for any person to burn or cause to be burned, any shavings, paper, or other combustible in any part of the streets, alleys, public places, or in any yard, except workmen whose business necessarily requires out door fires, nor then, if in the opinion of any two respectable house-holders, any building might thereby be endangered. Nor shall any person boil oil, tar or vanish within twenty feet of any building. Nor shall any person spit or expectorate on any of the sidewalks of said town. And it shall be unlawful to spit or expectorate in or about any public place or building to the annoyance of any person rightly there.

SEC. 19. It shall be unlawful for any person without a written permit from the Mayor, to fire or discharge within the corporate limits, any cannon, gun, pistol or firearm of any kind, or any cracker, squib, rocket or fireworks, except in case of necessity, or in discharge of a public duty.

SEC. 20. It shall be unlawful to keep in any shop, store or ware-house, or other house or building, without special permission from the Council, a greater quantity of powder at any one time than fifty pounds, or any other explosives in dangerous quantities.

SEC. 21. It shall be unlawful for any person to over-drive, over-load, torture, torment, deprive of necessary substance, or unnecessarily or cruelly beat, or need-

lessly mutilate, kill or cause or procure to be over-driven, over-loaded or tortured, tormented, or deprived of necessary substance, or needlessly mutilated or killed, as aforesaid, any domestic animal.

SEC. 22. It shall be unlawful for any person to wilfully cause a false alarm of fire or cry "fire" or ring any bell or do anything creating, or tending to create a false alarm of fire.

SEC. 23. It shall be unlawful for any owner or occupant of any livery or other stable, or any out-house that may contain hay, straw or other fodder, or for any person in his employment, or any other person, to use or carry therein any lighted candle or other light, unless the same be secured within a tin, horn or glass lantern.

SEC. 24. It shall be unlawful for any person to carry about his person any revolver or other pistol, dirk or bowie knife, razor, slung-shot, billy, metallic or other false knuckles, or any other dangerous or deadly weapon of like kind and character, without a written permit from the Mayor, but the mere carrying of a revolver or pistol home from the store when purchased, or to and from a shop for repairs, shall not be deemed a violation of this section.

SEC. 25. It shall be unlawful for any person to ride or drive on any bridge faster than a walk.

SEC. 26. It shall be unlawful for any person to bathe in any portion of the Tygart's Valley River or Files' Creek within the corporate limits of said town or in sight of any dwelling within said town, from sunrise until one hour after sunset.

SEC. 27. It shall be unlawful for any person to sell any diseased, corrupted, unwholesome, or adulterated provisions, whether food or drink, without first making the same known to the buyer.

SEC. 28. It shall be unlawful for any person to

throw, or cause to be thrown, into any well, cistern spring, brook or branch of running water which is used for domestic purposes, or into the Tygart's Valley River or Files' Creek, within or adjacent to or within one mile above town, the carcass of any dead animal or fowl, or any part thereof, or the contents from any cess-pool or privy vaults, or any putrid, nauseous, offensive or poisonous substance.

SEC. 29. It shall be unlawful for any person to allow on his premises, or under or in any of his buildings, any dead animal, putrid, or decaying substance, manure, dirt or filth of any kind that produces an unpleasant odor, or taints the air. And if any animal, the property of any person, shall die, the owner thereof shall remove and bury it at least three hundred yards beyond the corporate limits, and at least two hundred yards from all dwelling houses, and upon failure to do so, such owner shall be deemed guilty of an offense. Nor shall any person kill any animal and allow it to remain within the corporate limits so as to become a nuisance.

SEC. 30. It shall be unlawful for any person to bring into the town any person infected with any contagious or infectious disease, or the corpse of any person who died of such disease, except it be a citizen thereof. And in case a citizen, or the corpse of any citizen so affected, shall be brought into the corporate limits of the town, such person or the person bringing such corpse shall give previous notice thereof to the Mayor, Sergeant or some member of the Council, and upon failure of any such person to give such notice, he shall be deemed guilty of an offense.

SEC. 31. It shall be unlawful for any person to post any written or printed notices or bills, or nail up any board or tin advertisement, or show pictures on any bridge, building, fence, wall or lamp post without the

consent of the owner thereof; or to tear down, mutilate or destroy such advertisement, notice or bill lawfully posted or painted.

SEC. 32. It shall be unlawful for any person to attempt to or climb or jump on or off of any railroad engine, car, or train while the same is in motion, unless such person is an officer or employee of the railroad company.

SEC. 33. It shall be unlawful for any owner to allow any horse, mule, cow, cattle, sheep, hog, goat or other domesticated animal or wild beast to go at large unrestrained within the corporate limits. And it shall be the duty of the Sergeant or other police officer to impound any such animal found going at large until the owner thereof can be ascertained, if he be unknown, and until the costs and fine imposed, if any, together with the expense of keeping and feeding such animal, be paid, and if the same be not paid within ten days, it shall be the duty of the officer to sell the same in the manner that sales are made under execution. For his services in seizing and impounding any animal under this section, the Sergeant shall have a fee of seventy-five cents.

SEC. 34. It shall be unlawful for any owner to allow his chickens, or other fowls, cat or dog, to run at large or keep any bees, to the annoyance of his neighbors or the public. And if any owner have notice that his chickens, or other fowls, cat or dog, while running at large, or his bees, are annoying any residents of the town, he shall be deemed guilty of offending against the provisions of this section, unless he shall immediately remove said bees from the corporate limits and confine said chickens or fowls, cat or dog; and the allowing of any female dog to go at large during her running season shall be deemed an offense within the meaning of this section.

SEC. 35. It shall be unlawful for any person to play ball, play marbles, pitch quoits, or engage in any game

or sport, utter loud cries, quarrel, riot, hunt, fish, or sell goods, wares, merchandise or intoxicating drinks, or engage in any common labor or secular business on the Sabbath day, other than work of necessity or charity, except such persons as conscientiously observe Saturday as the Sabbath.

SEC. 36. It shall be unlawful for any person to molest or insult any person whomsoever, when going to or returning from a religious meeting.

SEC. 37. It shall be unlawful for any person to behave rudely or disorderly in or near any church, meeting-house or place of religious worship.

SEC. 38. It shall be unlawful for any person to idly loiter at or near the door of any church, meeting-house or place of public amusement, and not depart thence peaceably and quietly when requested so to do.

SEC. 39. It shall be unlawful for any person to disturb any religious meeting or congregation, or school exhibition, examination, concert, or theatrical or other public entertainment, by any boisterous, rude or ungentlemanly conduct. Any officer or citizen present at such place may arrest or cause the arrest of any person committing an offense against the provisions of this section. If any officer or citizen present is not able to arrest the offenders on account of their number, it shall be the duty of such officer or citizen to take their names, and at his earliest opportunity furnish the same to the Mayor, who shall at once begin proceedings against each, separately, for the offense charged. Any police officer who shall neglect his duty under this section shall be deemed guilty of an offense.

SEC. 40. It shall be unlawful for any person to keep a house of ill-fame, or bawdy or assignation house, or for the owner of any property, or his agent, to allow such house to be kept on any premises under his owner-

ship or control. All such houses are hereby declared to be public nuisances, and shall be abated and closed by order of the Mayor, for a period not exceeding thirty days, whenever their existence is established by competent evidence. The owner or person having control of any property in which such house is kept, shall be presumed to have knowledge of the house there kept, unless such owner or person shall show by affirmative testimony his ignorance of the nature of the house there kept, and agree to prevent its continuance by requiring the offenders to vacate the property.

SEC. 41. It shall be unlawful for any person to knowingly associate with or harbor lewd and dissolute women, or to idly loiter about common ordinaries, restaurants, or for the proprietor of any such places to allow about his premises any drunkenness, public lewdness, obscenity, or any conduct that disturbs the peace and quiet of the neighborhood.

SEC. 42. It shall be unlawful for any persons to assemble on any bridge, street, alley, or public place, or in any house or out-house, or in any yard or lot within the town for the purpose of prostitution, lewdness or indecency. It shall be unlawful for any prostitute to be in any such place between sundown and sunrise. If any person be found loitering or lounging about a house reported to be a bawdy house or house of ill-fame, he shall be deemed guilty of a offense, unless such person shall show in defense that such house is not a bawdy house or house of ill-fame.

SEC. 43. It shall be unlawful for any person not married to each other to lewdly or laciviously associate and co-habit or to be guilty of adultery or fornication.

SEC. 44. It shall be unlawful for any person to play or bet on any game in or by which money or other thing of value may be won or lost, or for any person whomsoever to keep or exhibit any table, instrument, device or other thing whatsoever, used for the purpose of gaming, or on or with which money or other things of value may be won or lost.

SEC. 45. It shall be unlawful for any person to keep a room, building, arbor, booth, stand, shed, tenement, or railroad car or to rent the same to be used or occupied for the exhibition or keeping of any such table, instrument, device or thing, or for playing therein, or thereon, any such game as is prohibited by the preceding section. If the owner or lessee of any room, building, arbor, booth, stand, shed or tenement shall know that any table, instrument, device or thing, used for the purpose of gaming, so kept or used in or about the same, or that any game of chance or skill, by or at which money, or other things of value, may be lost, or won, is being played therein or thereon, and shall not forthwith cause a complaint to be made against the person or persons so using the same, or playing at, or suffering the playing of any such game therein, or thereon, such owner or lessee, shall be taken, held, and considered to have knowingly permitted the same to be used for gaming, and shall be deemed guilty of an offense against the provisions of this ordinance. All such tables, instruments, devices, or things being used for the purpose of gaming, may be seized and destroyed by any of the officers of the town.

SEC. 46. It shall be unlawful for any person to bet any money or other things of value, on any election or on anything whatsoever. And the money so bet shall be forfeited to the town, and it shall be the duty of the stake-holder to turn the same over to the Sergeant to be paid into the town treasury. And if any stake-holder or other person having charge of any money or other thing on a bet or wager, refuse or neglect to turn the same over to the Sergeant as hereinbefore required, such

stake-holder shall be deemed guilty of an offense.

SEC. 47. It shall be unlawful for any owner to follow any employment or business within the town for which a town license is required without having first paid such license.

SEC. 48. It shall be unlawful for any person to hinder, or resist, or attempt to prevent, or deter by threats, menaces, force or otherwise, any officer of the town from properly discharging the duties of his office, or to refuse when called upon, to assist any such officer in making an arrest or quelling a riot.

SEC. 49. It shall be unlawful for any person to ride any bicycle or tricycle, roll any wheelbarrow or handcart; or slide or pull any sled, on any sidewalk of the town.

SEC. 50. It shall be unlawful for any person to hitch or tie any horse, mule or other animals to any lamppost or upon or across any sidewalk of the town.

SEC. 51. It shall be unlawful for any person to break or injure any street lamp or for any person, without authority from the Council, to light or extinguish same.

SEC. 52. It shall be unlawful for any person to erect or maintain any barbed wire fence, or any fence having thereon one or more strands of barbed wire, next adjacent to any sidewalk of the town. And each day such fence or wire is maintained after being so erected shall be deemed a separate offense.

SEC. 53. It shall be unlawful for any person to allow any dangerous chimney, flue, roof or building to remain on his premises after notice to repair or remove the same has been given him by the Sergeant. Any such dangerous chimney, flue, roof or building may be declared a nuisance and ordered by the Council to be abated at the expense of the owner of such nuisance.

SEC. 54. It shall be unlawful for any person to blow

a locomotive whistle, except when life or property is endangered, or to allow any engine under his charge to blow or pop-off steam unnecessarily, or to run such engine with or without a train attached, within the corporate limits, at a greater speed than six miles per hour and without at the same time ringing his bell.

SEC. 55. No person without a permit from the Council shall erect a building of any kind or place gasoline, oil or other tanks and pumps under or on the streets and alleys of the town.

SEC. 56. No person shall do any act or thing which under the law would be a nuisance.

SEC. 57. No person, without the consent of the Mayor, shall preach or make an attempt to speak, except in political campaigns upon any streets, alleys or roads of the town.

SEC. 58. It shall be unlawful for any owner or manager of any pool room, bowling alleys, or tables and games of like nature, to allow any person or persons under the age of sixteen to be in or loiter around their respective places of business. All pool rooms and bowling alleys shall be closed not later than twelve o'clock midnight, and shall not open for business before six o'clock A. M.

SEC. 59. No person shall engage in any trick, scheme or device with intent to swindle or wrong another out of money or other things of value.

SEC. 60. It shall be the duty of every person who owns property upon which there is a house or building, or upon which there shall be hereafter built a house or building, that has a porch or balcony that protrudes or extends over the street or sidewalk, to have the same properly spouted and if the owner fail or refuse to properly spout the same within ten days after being duly notified so to do, he or she may be arrested.

SEC. 61. It shall be unlawful for any person or per-

sons, or for any incorporated company to engage in any business, vocation or calling within the corporate limits of the town which is contrary to the laws of the State.

SEC. 62. If any person or persons commit any of the offenses prohibited and enumerated in this General Police and Miscellaneous Ordinances, he or she shall upon conviction thereof forfeit and pay a fine as follows:

For a violation of sections one, seven, eight, fifteen, sixteen, nineteen, twenty-three, thirty-one, forty-nine and fifty a fine of one dollar and costs; for a violation of sections two, four, six, ten, eleven, twelve, eighteen, twenty, twenty-five, thirty, thirty-three, fifty-two, fifty-four, fifty-six, fifty-seven and sixty a fine of two dollars and fifty cents and costs; for a violation of sections three, five, thirteen, fourteen, twenty-one, twenty-two, twenty-six, thirty-two, thirty-four, thirty-five, forty-four, forty-six, fifty-four, fifty-five and fifty-eight a fine of five dollars and costs; for a violation of sections nine, seventeen, twenty-seven, twenty-eight, twenty-nine, thirty-six, thirty-seven, thirty-eight, forty-two, forty-three, forty-seven, forty-eight, fifty-one and fifty-three a fine of ten dollars and costs; for a violation of sections thirty-nine, forty, forty-one, forty-five and sixty-one a fine of twenty-five dollars and costs; for a violation of sections twenty-four and fifty-nine a fine of fifty dollars and costs and in the discretion of the Mayor, said persons may be imprisoned in the Randolph County jail for a period not exceeding thirty days. If said persons fail or shall refuse to pay any fine imposed and the costs of his or her arrest and trial, the Mayor, if he deem proper, may commit said person to the Randolph County jail, not exceeding thirty days, and may require the persons to work upon the streets and alleys as hereinafter provided.

CHAPTER VII

ENFORCEMENT OF FINES AND PENALTIES

SECTION

1. Summons or Warrants.
2. Summons, when issued.
3. Trial.
4. Warrant for arrest.
5. Contempts and resistances.
6. Conduct of Officers.
7. Neglect of Officers.
8. Execution of process.
9. Execution for fines.
10. Remission of fines.
11. Mayor's docket.
12. Costs.
13. Fines.
14. Work on streets.

SEC. 1. Proceedings for the enforcement of all fines and penalties shall be by summons or warrant of arrest, issued by the Mayor, except when an offense is committed in the presence of any police officer, member of the Council, or Mayor, such officers may cause the offender to be immediately apprehended without summons or warrant.

SEC. 2. Upon reasonable information that an offense has been committed by any person against any of the ordinances of the town, the Mayor shall issue a sum-

mons on behalf of the town to the Sergeant or any policeman, commanding him to summon the accused to appear at the time and place therein set forth, to answer the charge, setting said charge forth with sufficient certainty to give the accused full information of its nature. Such summons shall be served and returned as summons in a civil case before a justice of the peace.

SEC. 3. If the accused appear at the time of the return, the matter shall be tried at once, unless for good cause a continuance be granted. If the accused fails to appear after summons has been duly served, and a reasonable time has elapsed between the service and return day, the Mayor shall examine the evidence and render judgment for a reasonable fine, as though the accused had appeared and pleaded. The Mayor may set aside any judgment and grant a re-hearing, for good cause, within ten days after judgment is rendered. A party charged with an offense may appear without a summons and submit himself to the jurisdiction of the Mayor; in such case the trial shall proceed as though summons had been served.

SEC. 4. Upon information under oath, which shall be reduced to writing and signed by the complainant, the Mayor shall issue a warrant in the name of the State of West Virginia, directed to the Sergeant or any policeman, requiring him to forthwith apprehend and bring before him the party accused, to answer the charge, setting said charge forth as in case of a summons. The accused, when apprehended, shall be tried as in other cases, and may be detained in custody or released on bail, in the discretion of the Mayor, until the case is finally disposed of. If in any of the proceedings, whether by summons or warrant, the accused be adjudged guilty, the Mayor may require immediate payment of the fine and costs, and in default thereof, may imprison the offender until the fine and cost thereof be paid: Provided, That such imprisonment shall not exceed thirty days.

SEC. 5. For any abusive or contemptous language or conduct toward the Mayor while in the discharge of his official duties, or for any resistance to or obstruction to an officer in the discharge of his official duties, any person may at once be apprehended, without warrant, and adjudged to pay a fine of not exceeding one hundred dollars and imprisoned in the county jail not exceeding thirty days.

SEC. 6. Any officer, while in the discharge of his official duties, who shall use any profane or filthy language or shall conduct himself in an insolent, overbearing or abusive manner towards any peaceable stranger therein, or who shall use undue violence in making an arrest, or who shall become intoxicated, or loaf about houses of ill-fame, gambling, or other places of bad repute, where his duties do not require his presence, shall forfeit and pay a fine of not exceeding fifty dollars.

SEC. 7. If the Sergeant or any police officer shall fail or neglect for an unreasonable time to report any offense against any ordinance that may have come to his knowledge from any source whatever, or shall neglect to execute any order of the Council, or any summons or warrant for an unreasonable time, he shall be liable to pay a fine of not exceeding fifty dollars.

SEC. 8. For the purpose of executing any warrant of arrest, capias profine, or other execution or order of the Mayor or Council, or of preventing the commission of any offense, or of arresting a person in the act of committing an offense, or a fugitive from justice, or for the purpose of abating any nuisance, it shall be lawful for the Mayor, Sergeant, or any police officer to enter any building, house, out-house, garden or lot within the town.

SEC. 9. In case the offender is not in custody, or present at the trial, the Mayor may issue such executions, including a capias profine, as he may deem necessary to secure the payment of any fine. Imprisonment on a capias profine, or in default of payment thereof, shall not be deemed a satisfaction of the fine; but an offender shall not be liable to imprisonment for more than thirty days by reason of failure to pay any one fine.

SEC. 10. The Council may, on proper application, remit in part or in whole any fine or penalty which shall be made to appear plainly unjust, illegal or excessive. Petitions for the remission of fines shall be in writing, and set out the grounds for the application, and be accompanied by the necessary affidavits to establish the truth of the allegation therein contained. Such petitions shall be referred to the committee on ordinances for careful investigation and report before being acted upon by the Council.

SEC. 11. The Mayor shall keep a record of all proceedings before him a docket, to be furnished by the Council, which shall always be open to public inspection. He shall annually, on or before the 30th day of June in each year, lay before the finance committee, a statement of all fines imposed by him during his term of office.

SEC. 12. An offender against whom a fine is imposed, shall pay the necessary cost of his conviction. Prosecutors may be required to enter themselves security for costs, and in such cases if it appears the prosecution was instituted out of malice and without good cause, judgment may be given against the prosecutor for costs.

SEC. 13. All fines shall be collected by the Sergeant, and deposited to the account of the Town of Beverly in the bank designated as the depository by the Council.

SEC. 14. Any person, upon whom a fine has been imposed for the violation of any ordinance of the town, and who shall fail or refuse to pay the same, together with the costs of his conviction, may upon the order of the Mayor, be confined in the county jail of Randolph county for such term, not exceeding thirty days, as the Mayor may deem proper.

SEC. 15. The Mayor may require any persons sentenced by him to confinement to the county jail for nonpayment of a fine imposed, to work upon the roads, streets and alleys, at the rate of one dollar per day, until the said fine, together with the costs of arrest and trial and the expenses of imprisonment and discharge shall have been paid. To provide for the safe keeping of any person ordered to work upon the roads, streets and alleys of the town under the provisions of this section, the Mayor may, if he deem it necessary, require that the body of such prisoner be secured, while appointed so to work, by means of a ball and chain attached to his person; said ball and chain to be provided by said Sergeant at the expense of the town; and any person ordered so to work and refusing to do the same, may be ordered by the Mayor to be remanded to jail, and there confined, upon a diet of bread and water alone, for such time, not exceeding thirty days, as to the Mayor may seem just and proper. For the purposes of this section, the said Sergeant shall have full power to receive from jail, detain, arrest and return to jail any person so ordered into his custody by the Mayor. Said Sergeant shall keep a complete list of all persons working upon the roads, streets and alleys of the town under this section, together with the amount of time worked by each person, and from time to time, report the same to the Council; and when the costs of any case shall have been paid as herein provided, the Council shall thereupon cause a check to be issued to the

persons entitled thereto, for the amount of said costs due to each, respectively; and whenever the amount of work done by any person under this section shall not be sufficient to discharge both the fine and the costs against him, the costs shall be deemed to have been paid first.

SEC. 15. The county jail of Randolph county shall be, and the same is hereby adopted by Council, as the place of imprisonment of all persons violating any of the ordinances of the town and sentenced by the Mayor, or other officer exercising the power of the Mayor, to confinement for such offense or for non-payment of any fine imposed. And any person who shall be apprehended in the night time or on Sunday by the Sergeant or any of his deputies, or by any officer of the town on charge of violating any law or ordinance of the same, shall be committed to said county jail for safe keeping until he shall be tried for such offense or discharged by order of the Mayor.

SECTION VIII

AUTOMOBILE REGULATIONS AND FINES

SECTION

1. Without proper license tag.
2. Without proper brakes and lights.
3. Without Operator's and Chauffeur's license.
4. Operating while intoxicated.
5. Speed limit.
6. Parking.
7. Passing other vehicles.
8. Racing and reckless driving.
9. Fines and penalties.

SEC. 1. It shall be unlawful for any person or persons to operate on, over or upon any of the streets, alleys or highways of the town an automobile, motor vehicle, or any other conveyance, the motor power of which shall be electricity, steam, gasoline or other source of energy, without a proper license tag therefor.

SEC. 2. It shall be unlawful to operate any automobile or other such vehicle upon the streets, alleys and highways of said town without good and sufficient brakes and lights as specified by the statutes of the State of West Virginia.

SEC. 3. It shall be unlawful for any person to operate any such vehicle without a proper Operator's or Chauffeur's license, or without the proper head and tail lights as specified by the statutes of the State of West Virginia.

Property of the

SEC. 4. It shall be unlawful for any person or persons to drive or operate any vehicle, motor driven or otherwise, upon any of the streets, alleys and highways of said town while intoxicated, or under the influence of intoxicating liquors, drugs or narcotics.

SEC. 5. It shall be unlawful for any person or persons to operate any vehicle, motor driven or otherwise, upon any of the streets or alleys of said town at a greater speed than fifteen miles per hour, except on the State Highway leading through the town, the speed limit shall be the same as required by the signs placed or posted by the State Road Commission of the State of West Virginia.

SEC. 6. All motor vehicles passing through the town, desiring to park along the State highway shall park on the right hand side of said highway, and clear of the hard surface. And all motor vehicles traveling on the streets and alleys of said town, approaching or leaving the said highway, and desiring to park, shall park on the right hand side thereof. It shall be unlawful to park in any other manner than as above specified.

SEC. 7. It shall be unlawful for any person or persons to operate any automobile or other motor driven vehicle, wishing to pass another such vehicle going in the same direction, to drive at a greater speed than is specified in section five of this ordinance in passing the same.

SEC. 8. It shall be unlawful for any person or persons operating any automobile or other motor driven vehicle to race or drive in a reckless way on any of the streets, alleys or highways through the said town.

SEC. 9. If any person or persons commit any of these offenses prohibited or enumerated in this ordinance, he or she shall upon conviction thereof, for each offense pay a fine of not less than one nor more than

twenty-five dollars; the penalty for a violation of sections three, five and six of this ordinance shall be one dollar and costs; of sections one, two and seven of this ordinance shall be five dollars and costs; of sections four and eight of this ordinance shall be not less than ten nor more than twenty-five dollars and costs.

CHAPTER IX

ASSESSMENT, TAXES AND LICENSES

SECTION

1. Appointment of Assessor.
2. Duties of Assessor.
3. Dog Tax.
4. Tax Books.
5. Collection of taxes.
6. Dogs not assessed.
7. Delinquent lands.
8. Sale delinquent lands.
9. Town license required.
10. Violation without license.
11. No license required.
12. License issued in writing.
13. License revoked.
14. Houses public nuisance.
15. Sergeant's report on license.
16. License fees.

SEC. 1. An Assessor may be annually appointed by the Council at the first meeting thereof in July, or as soon thereafter as practicable.

SEC. 2. It shall be the duty of the Assessor to make an assessment of the property within the town substantially in the manner and form in which assessments are made by the Assessor of the county and return the same to the Council on or before the 30th day of June in each year and for this purpose he shall have all the power

conferred by law on county assessors. He shall list the number of dogs in the town and the names of the persons owning the same, which list shall be returned to the Council.

SEC. 3. There may be levied, in addition to the necessary levy on personal and real property, an annual tax of one dollar on each male dog and three dollars on each female dog. The owner, harborer, or head of the family, shall pay the taxes on any dog owned, harbored, or kept by any member of the family. A dog for whom no owner can be found, or from whom, if the owner be found. the taxes cannot be collected, shall be put to death by the Sergeant. For putting a dog to death and removing its body, as required by this ordinance, such officers shall receive a compensation of fifty cents.

SEC. 4. When the property books, with levy extended have been returned by the Assessor, and examined and found correct by the Council, they shall be turned over to the Sergeant for collection, and he shall receipt therefor and be charged therewith.

SEC. 5. The Sergeant shall immediately proceed to collect the taxes, and after one month from the time he receives the books, he may distrain and sell therefor in like manner as the officer collecting the State taxes may distrain therefor, and he shall in all other respect have the same power to enforce the payment and collection thereof. All sales under tax levies, or under executions issued by the Mayor, shall be in the manner prescribed by law for sales under executions issued by justices. The Sergeant shall be required to pay interest on all taxes not collected and accounted for by him prior to the first day of January next following the date when the same came into his hands for collection.

SEC. 6. If the Sergeant finds any dog within the year, owned or harbored by any one within the town, and

not included in the levy, he shall cause the owner or harborer thereof to pay the same taxes on such dog as if it had been duly assessed.

SEC. 7. The Sergeant shall, on or before the first day of July in each year, return to the Council two separate lists, one of personal property and the other of real estate, delinquent for the non-payment of taxes, verified by his affidavit of his inability to collect the same after the exercise of due diligence. If the Council be satisfied of the correctness of said lists, the Sergeant shall receive credit for the same in his settlement. Additional delinquent lists for any year may be returned by permission of the Council, if the Sergeant shall show to their satisfaction that he has faithfully endeavored to collect the taxes therein included, and has failed to do so from no fault or negligence on his part.

SEC. 8. The delinquent list of lands and lots shall be recorded by the Recorder in a book to be kept for that purpose. And the Council, annually, on or before the first day of August, shall certify to the Auditor of the State, a copy of the delinquent list of lands and lots, that the same may be sold in the manner provided by law for the sale of real estate, returned delinquent for the non-payment of State and county taxes.

SEC. 9. No person shall without a license therefor, carry on in the business of druggist, or keep for public use or resort, a bowling alley, shooting gallery, billiard table or pool table, bagatelle table or any table of a like kind, exhibit any circus, menagerie, theatrical performance, or public show to which admission is obtained for money or other reward, or act as hawker or peddler, or act as auctioneer, or practice the business of stock, or other broker by buying or selling for others, stocks, securities or other property, for a commission or reward, or practice the business of a money broker or private

banker by buying or selling uncurrent or depreciated money or funds, or exchanging one kind of money or funds for another for reward or profit. Nor shall any person without a corporation license therefor, sell, barter or offer or expose for sale or barter, any patent right. Nor shall any traveling agent, canvasser or salesman sell, or contract to sell any lightning rod, without a corporation license therefor.

SEC. 10. Any person violating either of the two preceding sections shall, except when it is otherwise provided herein, for every such offense, forfeit and pay a fine of not less than ten, nor more than fifty dollars, and may, at the discretion of the Mayor, be confined in the county jail not exceeding thirty days.

SEC. 11. This ordinance shall not be construed to require any incorporated bank, savings bank, or savings institution to obtain license as a broker or private banker, or to require any resident of this State to obtain license to exhibit any work or production of his own invention or skill, or to require license for any school exhibition or entertainment given solely for the benefit of any church or religious society, or for any other charitable purpose, for any literary or scientific lecture, or musical concert, or to affect any person furnishing refreshments, at any public dinner, fair, festival or celebration, or any trustee selling property, or any personal representative or committee selling property belonging to the estate under his charge, or any officer or commissioner selling property under the order, decree, execution or process of any court or justice of this State or of the United States, or colporteur, or person selling religious books, or to prohibit any druggist from selling without license, in good faith, spiritous liquors, wines or alcohol for medicinal, mechanical or scientific purposes; Provided, however, that no sale of any such spir-

itous liquors or wines shall be made by any druggist or registered pharmacist, except upon the written prescription of a practicing physician in good standing in his profession, and not of intemperate habits, specifying the name of the person and the quantity of such liquors to be furnished him; but no druggist or registered pharmacist, who is a practicing physician, shall by himself, or by his agent or clerk, sell any spiritous liquors upon his own prescription. And if any person interested in or carrying on the business of a druggist shall, in violation of this ordinance, sell any such intoxicating liquors, drinks, mixtures or preparations, he shall be deemed guilty of selling without license and be punished as provided in section three of this ordinance. In any prosecution against a person carrying on or interested in the business of a druggist, for selling any such liquors, drinks, mixtures or preparations, contrary to this ordinance, if the sale be proved, it shall be presumed that such sale was unlawful unless the contrary be shown. If any physician, for the purpose of aiding a druggist or other person, in the violation of the provisions of this ordinance or otherwise, give such prescription and make such statement, falsely, he shall be fined not less than ten dollars nor more than one hundred dollars.

SEC. 12. All licenses shall be in writing, signed by the Mayor and countersigned by the Recorder, and shall be issued only when authorized by the Council, and for the term of one year, or six months, unless as herein otherwise provided, and if a license be issued to carry on a business at a particular place, it shall designate the place or building, and a sale or business at any other place shall be deemed without license.

SEC. 13. Upon petition of five or more inhabitants of the town, ten days notice having been given to the person holding the license, the Council may for good

cause revoke any license to keep a bowling alley, shooting gallery, billiard table or table of like kind.

SEC. 14. The owner of any house or building, who knowingly permits intoxicating liquor to be sold or vended therein, and every person engaged in such unlawful sale in any such house or building, may be prosecuted for keeping and maintaining a common and public nuisance, and upon conviction thereof shall be fined not less than twenty nor more than fifty dollars, at the discretion of the Mayor, imprisoned in the county jail not less than ten or more than thirty days, and judgment shall be given that such house or building shall be abated or closed up as a place for the sale of such liquors contrary to this ordinance, as the Mayor may determine.

SEC. 15. It shall be the duty of the Sergeant to make out and report to the Council, annually, on or before the 30th day of June in each year, and from time to time thereafter, a classified list of all persons in the town from whom corporation license is required by this ordinance.

SEC. 16. The town tax on the licenses mentioned in this ordinance shall be as follows, ss:

DRUGGIST.—On every license to carry on the business of druggist, five dollars.

BOWLING ALLEYS, SHOOTING GALLERY, BILLIARD TABLE, ETC.—On every license to keep a bowling alley, shooting gallery, billiard table, bagatelle table or table of like kind, for public use or resort, twenty-five dollars; but if more than one of either be kept in the same house by the same person, twenty-five for the first and fifteen dollars for each additional one.

AUCTIONEER.—On every license to act as auctioneer, two dollars and fifty cents, or one dollar per day, at the option of the applicant.

STOCK BROKER.—On every license to practice the

business of a stock broker by buying or selling for others, stocks, securities, or other property for a commission or reward, ten dollars.

Money Broker.—On every license to practice the business of money broker or private banker, by buying or selling uncurrent or depreciated money or funds, or exchanging one kind of money or funds for another for profit or reward, ten dollars.

Patent Rights.—On every license to barter or sell patent rights, ten dollars.

Lightning Rod Agent.—On every license for traveling agent, canvasser or salesman to sell lightning rods, ten dollars.

Peddler.—On every license to act as hawker or peddler, if the person licensed travel on foot without a horse, one dollar per day; if he travel with one or more horses with wagon or motor vehicle, two dollars and fifty cents per day.

Theatres.—On every license permitting a theatrical performance, one dollar per day or five dollars per week, at the option of the person applying for such license. On every building kept for rent or use of theatrical and other like purposes, ten dollars per year.

Circus.—On every license permitting a circus or menagerie, five dollars for each day.

Shows.—On every other show, not otherwise taxed, two dollars per day.

Provided, That nothing herein shall be construed to require license from colporteurs, or persons selling religious, literary or scientific works, or for any home, literary, dramatic or benevolent entertainment or school exhibition, or musical or literary concert.

CHAPTER X

SIDEWALKS AND PRIVIES

SECTION

1. Who to construct.
2. Material and dimensions.
3. When owner fails to construct.
4. Sergeant to report list.
5. Sidewalks to corporate limits.
6. Forfeit by officer for neglect of duty.
7. Distance of privies and stables from street.
8. Cess pools.
9. Fee for cleaning privies by order of Sergeant.
10. Nuisance on streets.

Sec. 1. All sidewalks in the town shall be kept in repair, free and clean, by the owners or occupiers of the adjacent property.

Sec. 2. All sidewalks shall be constructed on a grade, fixed by the order of the Council, and shall be constructed of concrete or brick, unless otherwise specially ordered by the Council, and shall be of an even, uniform surface, and shall be six feet wide, unless otherwise ordered by the Council. The Sergeant shall have authority to reject any sidewalk constructed or repaired by any owner or occupant of the adjacent property, where he shall deem such work to have been improperly performed, but such authority shall be subject to appeal to the Council.

Sec. 3. Whenever the owner or occupant of any lot or parcel of ground within the town shall fail to cause

the sidewalks upon that portion of any street or alley next adjacent thereto to be constructed as required by this ordinance, within ten days after notice in writing has been given by the Superintendent of roads, streets and alleys (and posting the notice at two conspicious places on the premises, shall be deemed sufficient notice when personal service cannot be had), it shall be the duty of such Superintendent, forthwith to cause the same to be constructed upon the most reasonable terms that can conveniently be had, and furnish to the owner or owners of such lot, or his, her or their agent, or the tenant of the premises, a statement of the cost of such sidewalk, and file with the Recorder a duplicate of such statement, and if the amount thereof be not paid within thirty days after the filing of such statement, it shall be the duty of the Recorder to add five per centum thereto to pay for collection, and deliver the same to the Sergeant, who shall proceed to collect the same from the party or parties liable therefor, in the manner provided for the collection of town taxes. The five per centum amount to be added to such statement shall be for the payment of the Sergeant for making said collection, shall be paid by the party from whom the collection is made, and in no event shall be paid out of the town treasury.

SEC. 4. It shall be the duty of the Sergeant, from time to time, to furnish to the Council a complete list of all persons liable under this ordinance to construct or repair any sidewalk adjacent to any lot or premises owned or occupied by such persons. Upon presentation of said list, the Council, if they see fit, may appoint a street committee, whose duty it shall be to make personal examination of the sidewalks and places designated in said list, and report thereupon to the Council, or they may at once direct the said Sergeant to give to any of the persons mentioned in said list the notice required in the third

section of this ordinance. But said Sergeant shall have no authority without the express orders of the Council to order the construction of new sidewalks at any place where no sidewalk has previously been laid.

SEC. 5. No sidewalks shall be ordered constructed beyond the dwellings, along the streets. alleys and highways toward the corporate limits of said town.

SEC. 6. If any officer fail to perform the duties imposed upon him by this ordinance, he shall forfeit for every such failure a sum not exceeding five dollars.

SEC. 7. No person shall permit his or her privy, water-closet, hog-pen, pig-sty, stable or other out-house to become foul or filthy, or produce an unhealthy smell or odor, or become a nuisance; but every owner or person having control of such privy, water-closet, hog-pen, pig-sty, stable or other out house shall at all times keep the same properly cleaned and disinfected. Nor shall any privy, water-closet, hog-pen or pig-sty be erected, constructed or maintained within ten feet of any street within the town. Any person violating any of the provisions of this section shall, upon conviction thereof, be adjudged to pay a fine of not less than five nor more than ten dollars, for each offense. And after three days notice to the owner or occupant of the premises, the Sergeant shall proceed to clean and disinfect said privy, water-closet, hog-pen, pig-sty or other out-house, or remove the same to a proper distance from the street as the case may be, the cost of said work to be collected from the owner or occupant of the premises in the same manner in which corporation taxes are collected.

SEC. 8. This ordinance shall apply to cess-pools, and other like nuisances and the same regulations that apply to section seven, shall also apply to them.

SEC. 9. The Sergeant shall keep an accurate list of all persons charged with work done under this ordinance,

together with an itemized account of the amount due from each person, and report the same to the Recorder, who shall enter the same of record upon the journal of the Council, and issue tax tickets against such persons for the amount due from each for said work, and place the same in the hands of the Sergeant for collection.

SEC. 10. It shall be unlawful for any person to deposit human excrement, taken from privies, in any street, alley, public place, road, lot, field or stream within the corporate limits of the town; or to commit any nuisance upon any street or alley, or upon the premises of another. Any person violating any of the provisions of this section shall, upon conviction thereof, be adjudged to pay a fine of not exceeding twenty dollars, or be imprisoned in the county jail for a period not exceeding thirty days, or both, at the discretion of the Mayor.

CHAPTER XI

METES AND BOUNDS OF THE TOWN OF BEVERLY AND NAMES OF STREETS

The corporate limits of the town of Beverly by metes and bounds are as follows, ss:—

Beginning at the corner between lands situated adjacent to and east of said town, and owned by the heirs of the late Fountain Butcher, and lands on the east side thereof owned by Amanda E. Butcher, on a line of lands owned by D. R. Baker, and running thence N. 12½ degrees, E. 76 poles, with a line between the said Fountain Butcher's heirs and Amanda E. Butcher, to the Files' Creek road; thence N. 88½ degrees, W. 22 1/3 poles, with the south side of said road to a stake on the eastern line extended of the George Henry lot now owned by S. A. Rowan; thence to the south-eastern corner of said Henry lot, and with the eastern line thereof, and through a field of said Amanda E. Butcher's, so as to include about two acres thereof, N. 12½ degrees, E. 59 poles, to a line between her and a lot of land owned by Anna A. Goff; thence with the said last mentioned line N. 46½ degrees, E. 27 poles, to the north-east corner of said Goff lot, on a line on the southern line of P. Collett's land; thence through said Collett's lands, passing a small white-oak, and then a small sycamore on the western spur of Mt. Isner, in said Collett's lands, to the line between him and the lands owned by Mrs. Louisa Collett, and through her

said lands into and through lands owned by P. B. Buckey, passing about one rod west of a white-walnut tree near Dotson run, N. 37 degrees, E. 114 poles, to the northern line of said Buckey's land; thence with the northern boundary of said Buckey's land to the Tygart's Valley River; thence with the meanders thereof, to the northern boundary of lands owned by R. D. Baker, near the mouth of Files' Creek; thence up said Creek with the said northern boundary of said R. D. Baker's land to the beginning.

Names of Streets and Avenues

NORTH AND SOUTH STREETS

Main Street.—That portion of the Staunton and Parkersburg turnpike, passing through the town of Beverly, from the footbridge across Files' Creek, to A. D. Barlow's store building, together with that portion of the Beverly and Fairmont turnpike within the corporate limits of said town, from said store building past the Valley House of Alpheus Buckey and Mrs. Louisa Collett's residence, to Dotson Run, shall be called and known as Main Street.

Walnut Street.—That street running from Fountain street, near its junction with Main street, past the county jail and Clay Fitzwater's blacksmith shop to the junction of said street with Collett street, shall be called and known as Walnut street.

Water Street.—The street running from Court street at Talbott's law office, past the residence of A. C. Rowan, and the residence of W. H. Wilson, to the foot of Collett street, shall be called and known as Water street.

Railroad Street.—The street from the late J. M. Ball's residence, along the Western Maryland Railway

track to and past its depot to an intersection with Crawford street at the Old Alliance Store lot, shall be called and known as Railroad street.

EAST AND WEST STREETS

Collett Street.—The street running from the terminus of Water street near W. H. Wilson's residence, and crossing Main street at A. J. Collett's Hotel, to the foot of Walnut street, shall be called and known as Collett street.

Bridge Street.—The street running from the bridge across the Tygart's Valley River on the Staunton and Parkersburg turnpike, past Barlow's store building and the Masonic Temple to Walnut street, shall be called and known as Bridge street.

Court Street.—The street running from the Tygart's Valley River, between S. N. Bosworth's store and L. D. Strader's law office, past the old court house to and past the new court house, shall be called and known as Court street.

Crawford Street.—The street running from Main street at K. B. Crawford's residence, to the Alliance store building, owned by W. D. Armstrong, shall be called and known as Crawford street.

Fountain Street.—The street running from Main street near Dr. George W. Yokum's residence, between and past the residences of J. L. Wamsley and P. C. Daniels, shall be called and known as Fountain street.

WEST AVENUES

Park Avenue.—The avenue running from Main street between the late W. H. Woodley and the late Henry Suiter lots back to the lands of the late Parkinson Collett, shall be called and known as Park avenue.

Livingston Avenue.—The avenue running across the railroad from Railroad street, between the L. O. England Planing Mill lot, and the lot of the late George W. Leonard, to the line of the lands of James B. Baker, shall be called and known as Livingston avenue.

MAYOR'S PROCLAMATION

To the People of the Town of Beverly and All Others in Interest:

I, M. B. Rohrbough, Mayor of the Town of Beverly, by virtue of authority vested in me by the Council thereof, do hereby publish, proclaim and declare the foregoing ordinances to be in full force and effect, for the government, protection and preservation of all persons, property and rights made subject to the jurisdiction of said Town by the laws of the State of West Virginia.

Given under my hand this, the 2nd day of June, 1930.

M. B. Rohrbough,
Mayor.

Attest:

David Wamsley,
Recorder.

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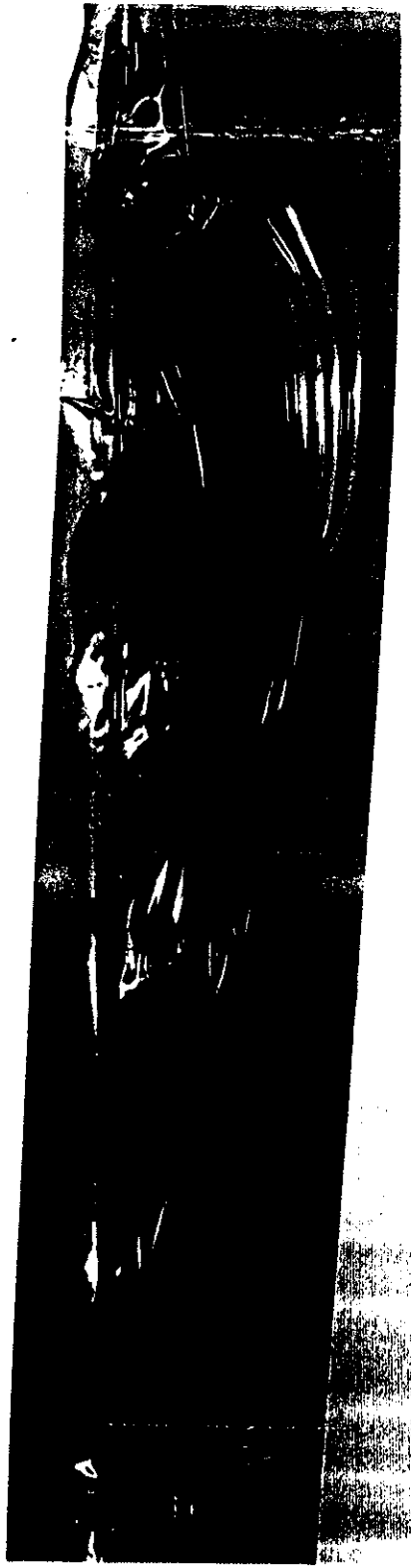

Property of the
Beverly Town
Drawer 2-19
Beverly. WV 2(
Ph- 636-536

TOWN OF BEVERLY
(CHARTERED 1790)
DRAWER 279
BEVERLY, WEST VIRGINIA
26253

OATH OF OFFICE AND CERTIFICATION

STATE OF WEST VIRGINIA

COUNTY OF RANDOLPH; TO WIT:

I, Donald C. Goldizen, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Mayor, in the Town of Beverly to the best of my skill and judgement, SO HELP ME GOD.

Donald C. Goldizen
(Signature)

I, Debra D. Poling, a Notary Public in and for the County and State aforesaid, do hereby certify that Donald C. Goldizen, swore to the above outline oath and signed foregoing writing, and bearing the date of the 1st **day of** July, 19 97.

Given under my hand this the 1st **day of** July, 19 97.

My Commission expires on May 8, 2006.

Debra D. Poling
(Signature of Notary Public)

TOWN OF BEVERLY
(CHARTERED 1790)
DRAWER 279
BEVERLY, WEST VIRGINIA
26253

OATH OF OFFICE AND CERTIFICATION

STATE OF WEST VIRGINIA

COUNTY OF RANDOLPH; TO WIT:

I, Barbara Smith, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Recorder, in the Town of Beverly to the best of my skill and judgement, SO HELP ME GOD.

Barbara Smith
(Signature)

I, Debra D. Poling, a Notary Public in and for the County and State aforesaid, do hereby certify that Barbara Smith, swore to the above outline oath and signed foregoing writing, and bearing the date of the 2nd **day of** July, **19** 97.

Given under my hand this the 2nd **day of** July, **19** 97.

My Commission expires on May 8, 2006.

Debra D. Poling
(Signature of Notary Public)

TOWN OF BEVERLY
(CHARTERED 1790)
DRAWER 279
BEVERLY, WEST VIRGINIA
26253

OATH OF OFFICE AND CERTIFICATION

STATE OF WEST VIRGINIA

COUNTY OF RANDOLPH; TO WIT:

I, Flo Hively, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Council Person, in the Town of Beverly to the best of my skill and judgement, SO HELP ME GOD.

Flo Hively
(Signature)

I, Debra D. Poling, a Notary Public in and for the County and State aforesaid, do hereby certify that Flo Hively, swore to the above outline oath and signed foregoing writing, and bearing the date of the 3rd **day of** July, 19 97.

Given under my hand this the 3rd **day of** July, 19 97.

My Commission expires on May 8, 2006.

Debra D. Poling
(Signature of Notary Public)

TOWN OF BEVERLY
(CHARTERED 1790)
DRAWER 279
BEVERLY, WEST VIRGINIA
26253

OATH OF OFFICE AND CERTIFICATION

STATE OF WEST VIRGINIA

COUNTY OF RANDOLPH; TO WIT:

I, Georgia Menis, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Council Person, in the Town of Beverly to the best of my skill and judgement, SO HELP ME GOD.

Georgia Menis
(Signature)

I, Debra D. Poling, a Notary Public in and for the County and State aforesaid, do hereby certify that Georgia Menis, swore to the above outline oath and signed foregoing writing, and bearing the date of the 3rd **day of** July **,** 1997 **.**

Given under my hand this the 3rd **day of** July **,** 1997 **.**

My Commission expires on May 8, 2006.

Debra D. Poling
(Signature of Notary Public)

TOWN OF BEVERLY
(CHARTERED 1790)
DRAWER 279
BEVERLY, WEST VIRGINIA
26253

OATH OF OFFICE AND CERTIFICATION

STATE OF WEST VIRGINIA

COUNTY OF RANDOLPH; TO WIT:

I, Kenneth Pritt, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Council Person, in the Town of Beverly to the best of my skill and judgement, SO HELP ME GOD.

Kenneth Pritt
(Signature)

I, Debra D. Poling, a Notary Public in and for the County and State aforesaid, do hereby certify that Kenneth Pritt, swore to the above outline oath and signed foregoing writing, and bearing the date of the 3rd **day of** July **,** 1997 **.**

Given under my hand this the 3rd **day of** July **,** 19 97 **.**

My Commission expires on May 8, 2006.

Debra D. Poling
(Signature of Notary Public)

TOWN OF BEVERLY
(CHARTERED 1790)
DRAWER 279
BEVERLY, WEST VIRGINIA
26253

OATH OF OFFICE AND CERTIFICATION

STATE OF WEST VIRGINIA

COUNTY OF RANDOLPH; TO WIT:

I, Michael Smith, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Council Person, in the Town of Beverly to the best of my skill and judgement, SO HELP ME GOD.

Michael D. Smith
(Signature)

I, Debra D. Poling, a Notary Public in and for the County and State aforesaid, do hereby certify that Michael Smith, swore to the above outline oath and signed foregoing writing, and bearing the date of the 3rd **day of** July **, 19** 97 **.**

Given under my hand this the 3rd **day of** July **, 19** 97 **.**

My Commission expires on May 8, 2006.

Debra D. Poling
(Signature of Notary Public)

TOWN OF BEVERLY
(CHARTERED 1790)
DRAWER 279
BEVERLY, WEST VIRGINIA
26253

OATH OF OFFICE AND CERTIFICATION

STATE OF WEST VIRGINIA

COUNTY OF RANDOLPH; TO WIT:

I, Maynard Weese, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Council Person, in the Town of Beverly to the best of my skill and judgement, SO HELP ME GOD.

Maynard Weese
(Signature)

I, Debra D. Poling, a Notary Public in and for the County and State aforesaid, do hereby certify that Maynard Weese, swore to the above outline oath and signed foregoing writing, and bearing the date of the 2nd **day of** July **, 19**97**.**

Given under my hand this the 2nd **day of** July **, 19** 97**.**

My Commission expires on May 8, 2006.

Debra D. Poling
(Signature of Notary Public)

AN ORDINANCE PROVIDING FOR THE CREATION OF A SANITARY BOARD FOR THE TOWN OF BEVERLY; PROVIDING FOR THE CONSTRUCTION, ADMINISTRATION, OPERATION AND MAINTENANCE OF THE SEWAGE COLLECTION AND TREATMENT SYSTEM BY SAID BOARD; AND GRANTING POWER TO SAID BOARD TO ESTABLISH BY-LAWS, RULES AND REGULATIONS FOR ITS OWN GOVERNMENT.

Sec. 1. Establish; composition; qualification, appointment and term of members; vacancies.

There is hereby created a sanitary board of the Town, which shall be composed of the mayor and two persons appointed by the common council, one of whom, during any construction period, must be a registered professional engineer, and the engineer member of the board need not be a resident of the Town. After the construction of the plant has been completed, the engineer member may be succeeded by a person not an engineer. The appointed members of the board shall serve their terms subject to the will and pleasure of the common council. The appointees shall originally be appointed for terms of two and three years respectively and, upon the expiration of each term and each succeeding term, appointment of a successor shall be made in similar manner for a term of three years. Vacancies shall be filled for an unexpired term and such substitutions shall be made in the same manner as was the original appointment.

Sec. 2. Eligibility of Town personnel.

No officer or employee of the Town holding a paid or unpaid office or position shall be eligible to appointment on the sanitary board until at least one year from the expiration of the term of his public office or employment.

Sec. 3. Officers and by-laws.

The mayor shall be chairman of the sanitary board, which shall elect a vice-chairman from its members and shall designate a secretary and treasurer, though the secretary and treasurer may be one and the same person, who need not be members of the sanitary board. The vice-chairman, secretary and treasurer shall hold office, as such, at the will of the sanitary board. The sanitary board shall have power to establish by-laws, rules and regulations for its own government.

Sec. 4. Compensation of members and allowances for expenses; bond of treasurer.

Each member of the sanitary board shall receive such compensation for his services as the common council may, from time to time, prescribe, and shall be entitled to payment for his reasonable expenses incurred in the performance of his duties. The secretary and treasurer shall be paid such reasonable compensation for their services as the council may, from time to time, prescribe, and the treasurer shall give bond in such amount as the council may, at any time, require.

the sanitary board, its officers and employees, shall be paid solely from funds provided under the authority of chapter 16, article 13 of the Code of West Virginia.

Sec. 5. Authority as to supervision and control of sewerage syste

The construction, acquisition, improvement, equipment, custody, operation and maintenance of all works for the collection treatment and disposal of sewage within or without the corporate limits of the city, the collection of revenues therefrom for the services rendered thereby and the employment of all engineers, architects, inspectors, superintendents, managers, collectors, attorneys and other personnel, as, in the judgment of the sanitary board, may be necessary to the execution of its powers and duties, shall be under the supervision and control of the sanitary board.

Sec. 6. Statutory authority of board.

The sanitary board shall have, in addition to the powers enumerated herein, all other powers provided for such boards by chapter 16, article 13 of the Code of West Virginia.

TOWN OF BEVERLY

D K Williams
Mayor

The foregoing ordinance was passed by the Council at meeting regularly called and held on April 5, 1979, and April 12, 1979.

Donna M. Reese
Recorder

RESOLUTION OF BEVERLY SANITARY BOARD

BE IT HEREBY RESOLVED that the Beverly Sanitary Board petition the Town Council of the Town of Beverly to commence enactment of an ordinance authorizing issuance of sewer revenue bonds of the Town of Beverly, in the aggregate principal amount of not more than $300,000, such petition to be presented to Town Council at its special meeting set for July 31, 1997 and to be in substantially the following form:

*** *** ***

The Beverly Sanitary Board hereby petitions the Council of the Town of Beverly (the "Town") to enact an ordinance directing that sewer revenue bonds of the Town be issued pursuant to the provisions of Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended, such bonds to be in an amount not to exceed $300,000 for the purpose of financing the costs of acquisition and construction of additions, betterments and improvements to the existing public sewerage system of the Town, together with all necessary appurtenances, and the costs of issuance and related costs.

Directed this 31st day of July, 1997.

*** *** ***

This Resolution shall be effective immediately.

Adopted this 31st day of July, 1997.

BEVERLY SANITARY BOARD

By Donald C. Goldizen
Chairman

07/28/97
074550/97001

AN ORDINANCE UPDATING THE SEWER RATES FOR DOMESTIC, COMMERCIAL, AND INDUSTRIAL USERS AND ESTABLISHING A DELAYED PAYMENT PENALTY OF THE WASTEWATER SYSTEM OF THE TOWN OF BEVERLY

THE COUNCIL OF THE TOWN OF BEVERLY HEREBY ORDAINS:

The following schedules of sewer rates and delayed payment penalty are hereby fixed and determined as the sewer rates and delayed payment penalty to be charged to customers of the wastewater system of the Town of Beverly:

SECTION 1.
RATES

AVAILABILITY OF SERVICE

Available for metered general domestic, commercial and industrial service except unusual industrial waste.

RATES

FIRST 5,000 GALLONS USED PER MONTH	$4.85/1000 GALLONS
NEXT 20,000 GALLONS USED PER MONTH	$4.70/1000 GALLONS
OVER 25,000 GALLONS USED PER MONTH	$4.70/1000 GALLONS
MINIMUM MONTHLY BILL	$11.75 PER MONTH
FLAT RATE/SEWER CUSTOMERS ONLY	$40.71 PER MONTH

DELAYED PAYMENT PENALTY

Above schedule is net. On all accounts not paid in full within twenty (20) days from the date of the bill, a ten (10) percent will be added to the net amount shown. This delayed penalty is not interest and is to be collected only once for each bill where it is appropriate.

SCHEDULE I

APPLICABILITY

Applicable inside and outside the corporate limits of the Town of Beverly.

AVAILABILITY OF SERVICE

Available for general domestic and total service

SERVICE CONNECTION FEE

For furnishing and installing one tap with service line, a customer desiring sewer service a $300.00 tap fee must be paid to the Utility

SCHEDULE II
SURCHARGE FORMULA TO BE APPLIED TO THE CHARGES OF USERS PRODUCING UNUSUAL WASTE

The charge for the treatment of unusual waste will be the calculated on the basis of the following formula:

$$C_i = V_o V_i + B_o B_i + S_o S_i$$

C_i = Charge to unusual users per year

V_o = Average unit cost of transport and treatment chargeable to Volume, in dollars per gallon.

V_i = Volume of wastewater for unusual users in gallons per year

B_o = Average unit cost of treatment, chargeable to Biochemical Oxygen Demand (BOD), in dollars per pound

B_i = Weight of BOD from unusual users, in pounds per year

S_o = Average unit costs of treatment (including sludge treatment) chargeable to total solids, in dollars per pound

S_i = Weight of total solids from unusual users, in pounds per year

When an unusual user is to be served, a preliminary study of its wastes, and the cost of transport and treatment thereof will be made. Wastes containing materials which in judgement of the Town of Beverly should not be introduced into the sewer system or would not be handled by it. The results of this preliminary study will be used to determine the feasibility of the proposed sewer service and the charge thereof, based upon the formula set out above.

Thereafter, unusual sewage will be monitored on a regular basis and at the conclusion of each fiscal year, based on the investigation aforesaid and audit of the Town of Beverly records, new cost figures will be calculated for use in the above formula. The cost of establishing the monitoring facilities shall be paid by the unusual user. Based on these audited figures, additional billings covering the past fiscal year will be made for payment by each unusual user, or refund given by the Town of Beverly, as the case, may be. Such audited figures will then be used for preliminary billing for the next fiscal year at the end of which an adjustment will be made as aforesaid.

SECTION IV

SEWER RESERVE CAPACITY CHARGE = $\frac{P}{Qd} \times FD$

P = Total annual interest, principal, and capital payments attributable to the user's share of sewers and easements.
FD = Design flow contribution from the user (mgd)
Qd = Total treatment facility design flow (mgd)

Applicable O&M costs (A.6) are those operation, maintenance, administration and billing expenses derived in whole or in part from the cost of collecting and treating the user's wastewater, exclusive of those expenses incurred solely for other purposes.

SECTION 1.07

Said aforementioned rates and charges whenever delinquent, shall be liens on the amount thereof upon the premises of the customer served, as provided by Chapter 16, Article 13, Section 16 of the West Virginia Code of 1931, as amended.

SECTION 1.08

The Recorder is hereby authorized and directed to publish a notice of the proposed adoption of this ordinance as a Class II legal advertisement in compliance with Chapter 16, Article 13, and Chapter 59, Article 3, of the Code of West Virginia of 1931, as amended in the Elkins Inter-Mountain, a qualified newspaper published in the area. This notice shall state the subject matter and title of the ordinance, set forth the proposed schedules of said rates and charges, indicate the date, time and place of the Council meeting which will consider the adoption of the ordinance, and state that any persons interested may appear before the Council on such date, at which time and place all parties and interests may be heard with respect to this ordinance being adopted and said notice shall also provide that a copy

of this ordinance shall [illegible] file in the office of the Recorder for review by [illegible] during the regular office hours of such office. The first publication of said notice shall be at least ten (10) days before the date fixed in said notice as the date on which the council will consider adoption of the ordinance.

SECTION 1.06

The mayor is hereby authorized and directed to file the foregoing rates and charges with the Commission and to take such other actions as are necessary to provide the Commission with the information showing the basis of such rates and charges as the Commission consider necessary.

SECTION 1.07
SEPERABILITY REPEAL OF CONFLICTING ORDINANCES

The provisions of this ordinance are separable and if any clause, provision or section hereof be held void or unenforceable by any court of competent jurisdiction such holding of shall not affect the remainder of this ordinance upon the effective date of the sewer rates, delayed penalty as herein set forth, all ordinances, resolutions, orders or parts thereof in conflict with the provisions of prior ordinances do not touch upon the provisions of prior ordinances, resolutions, orders or parts thereof, the same shall remain in full force and effect.

SECTION 1.08 STATUTATORY NOTICE AND PUBLIC HEARING

Upon introduction and adoption at first reading hereof, the Recorder/Clerk shall publish a copy of the Ordinance and a notice at least 5 days before the meeting at which this Ordinance is to be finally adopted, one time in the Elkins Inter MounLain, being the only newspaper published and of general circulation in Randolph County, West Virginia, and being of general circulation in the Town of Beverly and said notice shall state the subject matter and general title of this Ordinance, that this has been introduced and adopted at first reading, and that any person interested may appear before Council of the Town of Beverly, in the Council Chambers at the City Hall in Beverly, West Virginia on the 3rd day of February, 1994, at 7:00 p.m., which is the date, time and place of the proposed final vote on adoption and be heard with respect to the proposed ordinance. At such hearing all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper in the premises. Copies of the proposed ordinance shall be available to the public for inspection at the office of the Mayor in the City Hall, Beverly, West Virginia.

Passed on the first reading January 17, 1994

Passed on the second reading February 3, 1994

David K. McDowell
Mayor

Barbara Smith
Recorder

TOWN OF BEVERLY

TOWN OF BEVERLY: TO WIT

A special meeting of the Beverly Town Council was held January 17, 1994 at 6:00 in council chambers of the Town Hall. The purpose of this meeting was for the readings of these ordinances:

An ordinance increasing sewer rates on domestic, commerical and industrial service setting delayed payment penalty of the waste-water system of the Town of Beverly.

An ordinance increasing water rates on domestic, commerical, and industrial service setting delayed payment penalty, reconnectdion charge for service to customers of the waterworks system of the Town of Beverly.

An ordinance of the Town of Beverly fixing a tap fee for new sewer customers at rate of $200.00.

An ordinance of the Town of Beverly fixing a tap fee for new water customers at rate of $300.00.

Motion made to accept the above ordinances made by Glen Bosley. Second by Goergie Menis. All in favor.

Those present at the meeting were Mayor McDowell; Recorder, Barbara Smith; councilpersons, Georgie Menis, Flo Hively, Kenny Pritt, and Glen Bosley. Absent was Diane Daft. No visitors present.

Motion made to adjourn made by Flo Hively, second by Glen Bosley. Meeting adjourned at 6:15p.m.

David K. McDowell
MAYOR: DAVID MCDOWELL

Barbara Smith
RECORDER: BARBARA SMITH

20A

TOWN OF BEVERLY

TOWN OF BEVERLY: TO WIT

The regular monthly meeting of the Beverly Town Council was held Thursday, February 3, 1994, at 7:00 p.m. in the Council Chambers of the Beverly Town Hall.

Those present were Mayor David McDowell; recorder, Barbara Smith; councilpersons, Diane Daft, Georgie Menis, Kenny Pritt; and Glen Bosley. Absent member was Flo Hively. Visitors were town secretary, Vickie Sines; Treatment management personal, Roger Rose and D.K. McWilliams.

Mr. Rose stated that he knew it upset the council to raise the rates on water and sewage but it was a necessary step. He stated the EPA testing, necessay chemicals to run the plants, insurance, utilities, everything needed to operatae the plants increase each year. Water has had one increase in 31 years and sewage none since it began in 1979. He states that by the year 2000, water rates will be 10 times what they were in the 1990's. All the towns face this problem. We have been fortunate that our rates have stayed low this long. We pay $2,75 per 1000, while for example Leading Creek pays in the vicinity of $8.00 per 1000.

Mr. Rose, on behalf of all town full time employees thanked the board for the one time pay raise.

Minutes from the meeting of January 6, 1994 were read and approved.

With no further discussion to be heard concerning the water and sewage rates, Mayor McDowell read an ordinance increasing sewer rates on domestic, commerical and industrial service setting delayed payment penalty of the waste-water system of the Town of Beverly; and an ordiance increasing water rates on domestic, commerical, and industrial service setting delayed payment penalty, reconnection charge for service to customers of the waterworks system of the Town of Beverly. Motion made to accept: first aby Daft; second by Menis, all in favor.

OLD BUSINESS -SURVEY, NOW PLOW, SIGN

Ken Kelly came by Town Hall and picked up maps and instructions for the annexation maps. He will contact us about the rates.

Regarding tdhe gravely, a battery was purschased for it, but it still would not run properly. The batdtery was returned.

There has been no contact from Sue Chenoweth regarding sign.

EMPLOYEES ONE TIME PAY RAISE

The one time pay increase was allocated from budget line

State of West Virginia, County of Randolph, ss.

I, James Hoffman, Publisher of THE INTER-MOUNTAIN, a newspaper published at Elkins, in said county, do hereby certify that the annexed advertisement was published on the following dates:

Jan 29 ---------- ---------- ----------

19 94 as required by law.

Given under my hand this 29 day of January 19 94

James Hoffman
Publisher

Printer's Fee: $ 135 13

OFFICIAL SEAL
Notary Public, State of West Virginia
SHIRLEY A. MENEAR
P. O. BOX 1[illegible]
ELKINS, WV [illegible]
My Commission Expires April 15, 2002

Subscribed and sworn to before me this 29 day of January, 19 94.

Shirley A Menear
Notary Public

My Commission Expires the 15 day of April, ~~19~~ 2002

SYSTEM OF THE TOWN OF BEVERLY

THE COUNCIL OF THE TOWN OF BEVERLY HEREBY ORDAINS:

The following schedule of sewer rates, and deplayed payment penalty are hereby fixed and determined as the sewer rates and delayed payment penalty to be charged to customers of the wastewater system of the Town of Beverly.

SECTION I

RATES

AVAILABILITY OF SERVICE

Available for metered general domestic, commercial and industrial service except unusual industrial waste.

RATES

First 5,000 Gallons used per month — 5.25/1000 Gallons
Next 20,000 Gallons used per month — 4.96/1000 Gallons
Over 25,000 Gallons user per month — 4.70/1000 Gallons
Minimum Monthly Bill — 15.75 per month
Flat Rate/Sewer Customers Only — 20.71 per month

DELAYED PAYMENT PENALTY

Above schedule is net. On all accounts not paid in full within twenty (20) days of the date of the bill, a ten (10) percent will be dded to the net amount shown. This delayed penalty is not interest and is to be collected only once for each bill where it is appropriate.

SCHEDULE II

APPLICABILITY

Applicable inside and oustide the corporate limits of the Town of Beverly.

AVAILABILITY OF SERVICE

Available for general, domestic, commercial service

SERVICE CONNECTION FEE

For furnishing and installing one tap with service line, a customer desiring sewer service, a $200.00 tap fee must be paid to the utility.

SCHEDULE III

SURCHARGE FORMULA TO BE APPLIED IN THE CASES OF USERS PRODUCING UNUSUAL WASTE

The charge for the treatment of unusual waste will be the calculated on the basis of the following formula:

Cl equals VoVl+BoBl+SoSl

Cl — Charge to unusual users per year
Vo — Average unit cost of transport and treatment chargeable to Volume, in dollars per gallon.
Vl — Volume of wastewater for unusual users in gallons per year
Bo — Average unit cost of treatment, chargeable to Biochemical Oxygen Demand (BOD), in dollars per pound
Bl — Weight of BOD from unusual users, in pounds per year
So — Average unit costs of treatment (including sludge treatment) chargeable to total solids, in dollars per pound
Sl — Weight of total solids from unusual users, in pounds per year

When an unusual user is to be served, a preliminary study of its wastes, and the cost of transport and treatment thereof will be made. Waste containing materials which in judgement of the Town of Beverly should not be introduced into the sewer system need not be handled by it. The results of this preliminary study will be used to determine the feasibility of the proposed sewer service and the charge thereof, based upon the formula set out above.

Thereafter, unusual sewage will be monitored on a regular basis and at the conclusion of each fiscal year, based on the investigation aforesaid and audit of the Town of Beverly records, new cost figures will be calculated for use in the above formula. The cost of establishing the monitoring facilities shall be paid by the unusual year. Based on these audited figures, additional billings covering the past fiscal year will be made for payment by each unusual user, or refund given by the Town of Beverly, as the case, may be. Such audited figures will then be used for preliminary billing for the next fiscal year at the end of which an adjustment will be made as aforesaid.

SECTION IV

SEWER RESERVE CAPACITY CHARGE — $P \times \frac{Fd}{Od}$

P — Total annual interest, principal, and capital payments attributable to the user's share of sewers and easements.
FD — Design flow contribution from the user (mgd)
Od — Total treatment facility design flow (mgd)

Applicable O&M costs (A,S) are those operation, maintenance, administration and billing expenses derived in whole or in part from the cost of conveying and treating the user's wastewater, exclusive of those expenses incurred solely for other purposes.

SECTION 1.04

Said aforementioned rates and charges whenever delinquent, shall be fines for the amount thereof upon the premises of the customer served, as provided by Chapter 16, Article 13, Section 16 of the West Virginia Code of 1931, as amended.

SECTION 1.05

The Recorder is hereby authorized and directed to publish a notice of the proposed adoption of this ordinance as a Class II legal advertisement in compliance with Chapter 16, Article 13, and Chapter 59, Article 3, of the Code of West Virginia of 1931, as amended in the Elkins Inter-Mountain, a qualified newspaper published in the area. This notice shall state the subject matter and title of the ordinance, set forth the proposed schedules of said rates and charges, indicate the date time and place of the Council meeting which will consider the adoption of the ordinance, and state that any person interested may appear before the Council on such date, at which time and place all parties and interests may be heard with respect to this ordinance being adopted and said notice shall also provide that a copy of this ordinance shall be on file in the office of the Recorder for review by interested persons during the regular office hours of such office. The first publication of said notice shall be at least ten (10) days before the date fixed in said notice as the date on which the Council will consider adoption of the ordinance.

SECTION 1.06

The mayor is hereby authorized and directed to file the foregoing rates and charges with the Commission and to take such other actions as are necessary to provide the Commission with the information showing the basis of such rates and charges as the Commission consider necessary.

SECTION 1.07

SEPERABILITY REPEAL OF CONFLICTING ORDINANCES

The provisions of this ordinance are separable and if any clause, provision or section hereof be held void or unenforceable by any court of competent jurisdiction such holding of shall not affect the remainder of this ordinance upon the effective date of the sewer rates, delayed penalty as herein set forth, all ordinances, resolutions, orders or parts thereof in conflict with the provisions of prior ordinances do not touch upon the provisions of prior ordinances, resolutions, orders or parts thereof, the same shall remain in full force and effect.

SECTION 1.08 STATUTATORY NOTICE AND PUBLIC HEARING

Upon introduction and adoption at first reading hereof, the Recorder/Clerk shall publish a copy of the Ordinance and a notice at least 5 days before the meeting at which this Ordinance is to be finally adopted, one time in the Elkins Inter Mountain, being the only newspaper published and of general circulation in Randolph County, West Virginia, and being of general circulation in the Town of Beverly and said notice shall state the subject matter and general title of this Ordinance, that this has been introduced and adopted at first reading, and that any person interested may appear before Council of the Town of Beverly, in the Council Chambers at the City Hall in Beverly, West Virginia on the 3rd day of February, 1994, at 7:00 p.m., which is the date, time and place of the proposed final vote on adoption and be heard with respect to the proposed ordinance. At such hearing all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper in the premises. Copies of the proposed ordinance shall be available to the public for inspection at the office of the Mayor in the City Hall, Beverly, West Virginia.

AN ORDINANCE OF THE TOWN OF BEVERLY

FIXING A TAP FEE FOR NEW SEWER CUSTOMERS

BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF BEVERLY, WEST VIRGINIA:

ARTICLE I

TAP FEE

The Sewer tap fee for a service connection shall be $200.000 henceforth.

ARTICLE II

PUBLICATION

The Recorder is hereby directed to publish notice of the prposed adoption of this ordinance as a Class II advertisement in compliance with Code of West Virginia in the Elkins Inter Mountain, a qualified newspaper published in the area. The rates herein fixed shall become effective 45 days after adoption of this ordinance. Council will consider the adoption of this ordinance at its Council chambers in said Town on Feb. 3, 1994 at 7:00 p.m. and all persons interested may then be heard in respect thereto. A copy of this ordinance shall be on file in the office of the Recorder for review by interested persons during regular office hours.

1—29

TOWN OF BEVERLY: JULY 31, 1997
TOWN OF BEVERLY: TO WIT

A special meeting of the Beverly Town Council was held July 31, 1997, at 6:30 p.m. in Council Chambers of the Beverly Town Hall. Those present were Mayor, Donald Goldizen; recorder, Barbara Smith; and councilpersons, Georgie Menis, Flo Hively, Kenny Pritt, and Kenny Weese.

A motion was made by Pritt and seconded by Weese to secure Steptoe and Johnson as bond council for the Hazelwood sewage project. All in favor.

✓ A motion was made by Menis and seconded by Hively to accept the first reading of the ordinance authorizing the acquisition and construction of additions, betterments and improvements to the existing public sewerage system of the Town of Beverly and the financing of the cost, not otherwise provided, thereof through the issuance by the Town of not more than $300,000 in aggregate principal amount of sewer revenue bonds, Series 1997 A (West Virginia Infrastructure Fund); providing for the rights and remedies of and security for the registered owners of such bonds: authorizing execution and delivery of all documents relating to the issuance of such bonds; approving, ratifying and confirming a loan agreement relating to such bonds; authorizing the sale and providing for the terms and provisions of such bonds and adopting other provisions relating thereto.

All in favor of above first reading.

Motion made to adjourn at 7:20 p.m. by Pritt, seconded by Hively.

Donald C. Goldizen Barbara Smith

MAYOR: DONALD GOLDIZEN RECORDER: BARBARA SMITH

22A

Minutes from meetings of July 3 and July 13 were read and approve

BOND ORDINANCE READING - SECOND

✓ The second reading of the ordinance authorizing the acquisition and construction of additions, betterments and improvements to the existing public sewerage system of the Town of Beverly and the financing of the cost, not otherwise provided, thereof throughout the issuance by the Town of note more than $300,000 in aggregate principal amount of sewer revenue bonds, Series 1997 A (west Virginia Infrastructure Fund); providing for the rights and remedies of and security for the registered owners of such bonds; authorizing execution and delivery of all documents relating to the issuance of such bonds; approving, ratifying and confirming a loan agreement relating to such bonds; authorizing the sale and providing for the terms and provisions of such bonds and adopting other provisions relating thereto was heard. Motion made by Councilman Weese to accept reading. Second to motion by Councilman Smith. All in favor.

GOVERNOR'S PARTNERSHIP GRANT

A motion was made by Councilman Pritt to accept the resolution of a Governor's Community Partnership Program Grant (See attachment C). Motion seconded by Hively, all in favor. The mayor was authorized to sign agreement.

Bond Council for project, Steptoe and Johnson, states that the project must have a professional engineer on the Utilities Board. Bob Scott, a retired engineer has agreed to sat on board at a cost of $30.00 a month until the project is completed. A motion made by Councilwoman Menis states that Robert Moyer be removed from Sanitary Board and placed on Water Board and Bob Scott replace him on Sanitary Board until the Hazelwood Project is completed. Seconded by Councilman Pritt, all in favor.

CLOSING OF ALLEY - WEESE AND WHITE PROPERTIES

Mayor Goldizen talked to adjoining property owner to the Weese property on Fountain Street, Gary Bates. Mr. Bates has no obligation to the closing of the alley. But water, sewage, and gas lines are routed down the alley. They require at least a 10 foot right-of-way for repair work to be done. Council agrees that the alley needs to be left open to get these lines.

TOWN OF BEVERLY
TOWN OF BEVERLY: TO WIT

AUGUST 21, 1997

A special meeting of the Beverly Town Council was held Thursday, August 21, 1997, at 6:30 p.m. in the Council Chambers of the Beverly Town Hall. The purpose of the meeting was to have an open discussion with the public the Bond Ordinance authorizing the acquisition and construction of the existing public sewerage system known to the Council as the UPS-Hazelwood Project. Visitors included Mr. and Mrs. Ron McKenzie, property owners on Rt. 219-250 South. The McKenzie property is on the opposite side of the road than where the sewage project is being undertaken. Mr. Brian Huffman, Chapman Technical Group representative, explained to council and the McKenzie the project. With no other visitors present, Mayor Goldizen called the Public Hearing part of the meeting to a closure.

Mayor Goldizen called the meeting of the Beverly Town Council to order than.

✓ The third and final reading of the Ordinance authorizing the acquisition and construction of the project known to Council as the UPS-Hazelwood project (see attachment #1) was read by Mayor Goldizen. Motion made to accept the third and final reading of the bond ordinance made by Kenny Pritt and seconded by Flo Hively. All in favor.

✓ Mayor Goldizen read the supplemental resolution providing terms of the sewer revenue bonds for the project known to Council as the UPS-Hazelwood project (see attachment #2). Motion made to accept supplemental resolution first by Georgie Menis and seconded by Kenny Pritt. All in favor.

Mayor Goldizen read the resolution to approve invoices relating to construction and other services for the project known to Council as the UPS-Hazelwood project (see attachment #3). Motion made to accept resolution for payment of invoices first by Flo Hively and seconded by Kenny Pritt. All in favor.

With no further business to discuss concerning the UPS-Hazelwood project, motion was made by Kenny Pritt to adjourn. Seconded by Flo Hively. Meeting adjourned at 7:25 p.m.

MAYOR: DONALD GOLDIZEN

RECORDER: BARBARA SMITH

[TO BE PUBLISHED IN THE ELKINS INTER-MOUNTAIN
ON AUGUST 8, 1997, AND AUGUST 15, 1997]

NOTICE OF PUBLIC HEARING ON THE
TOWN OF BEVERLY BOND ORDINANCE

A public hearing will be held on the following-entitled Ordinance at a special meeting of the Council of the Town of Beverly (the "Town") to be held on August 21, 1997, at 6:30 p.m. in the Council chambers at the Beverly Town Hall, Beverly, West Virginia, and at such hearing any person interested may appear before the Council and present protests, and all protests and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE TOWN OF BEVERLY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN $300,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above-entitled Ordinance was adopted by the Council of the Town on August 7, 1997.

Attachment
1

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF THE TOWN OF BEVERLY; RATIFYING AND APPROVING A LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of The Town of Beverly (the "Issuer"), has duly and officially adopted and enacted a bond ordinance, effective August 21, 1997 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE TOWN OF BEVERLY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN $300,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE

Attachment #2

RESOLUTION OF THE TOWN OF BEVERLY APPROVING INVOICES RELATING TO CONSTRUCTION AND OTHER SERVICES FOR THE PROPOSED HAZELWOOD SEWER SYSTEM EXTENSION PROJECT AND AUTHORIZING PAYMENT THEREOF

WHEREAS, the Town of Beverly has reviewed the invoices attached hereto and incorporated herein by reference relating to construction of the Hazelwood Sanitary Sewer System Extension Project (Project) funded in part by Sewer Revenue Bonds Series 1997 A (Infrastructure Fund) and an Infrastructure Fund Grant and finds as follows:

(a) That none of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(b) That each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the services for the Project:

(c) That each of such costs has been otherwise properly incurred; and

(d) That payment for each of the items proposed is then due and owing.

NOW, THEREFORE, BE IT RESOLVED by the Town of Beverly as follows:

There is hereby authorized and directed the payment of the attached invoices as summarized as follows:

	List of Vendors	Schedule B Line Item	Invoice Amount
1.	Chapman Technical Group	A.2.	$38,920.92
2.	Toothman and Rice	A.3.	$800.00
3.	David W. Hart	A.3.	$340.00
4.	Dept. of Health & Human Resources	A.3.	$300.00
5.	WV Div. of Natural Resources	A.3.	$75.00
6.	The InterMountain Newspaper	A.3.	$175.96
7.	The InterMountain Newspaper	A.3.	$79.70
8.	Photo Science, Inc.	A.2.	$3,100.00
9.	Steptoe and Johnson	C.18.A	$10,000.00

Adopted by the Town of Beverly at a meeting held on the 21st day of August, 1997.

Donald C. Goldizen

Donald C. Goldizen, Mayor

Attachment #3

State of West Virginia, County of Randolph, ss.

I, James Hoffman, Publisher of THE INTER-MOUNTAIN, a newspaper published at Elkins, in said county, do hereby certify that the annexed advertisement was published on the following dates:

Aug. 08 Aug. 15 ---------- ----------

19 97 as required by law.

Given under my hand this 15 day of August 19 97

James Hoffman
Publisher

Printer's Fee: $ 86.32

OFFICIAL SEAL
Notary Public, State of West Virginia
SHIRLEY A. MENEAR
P. O. BOX 1351
ELKINS, WV 26241
My Commission Expires April 15, 2002

Subscribed and sworn to before me this 15 day of August 19 97

Shirley A Menear
Notary Public

My Commission Expires the 15 day of April 19 2002

NOTICE OF PUBLIC HEARING ON THE TOWN OF BEVERLY BOND ORDINANCE

A public hearing will be held on the following-entitled Ordinance at a special meeting of the Council of the Town of Beverly (the "Town") to be held on August 21, 1997, at 6:30 p.m. in the Council chambers at the Beverly Ton Hall, Beverly, West Virginia, and at such hearing any person interested may appear before the Council and present protests, and all protests and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE TOWN OF BEVERLY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN $300,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above-entitled Ordinance was adopted by the Council of the Town on August 7, 1997.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bond contemplated thereby. The Town contemplates the issuance of the Bond described in said Ordinance. The proceeds of the Bond will be used to provide permanent financing of a portion of the costs of additions, betterments and improvements to the existing public sewerage system of the Town. The Bonds are payable solely from revenues to be derived from the ownership and operation of the sewerage system of the Town. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

A certified copy of the above-entitled Ordinance is on file with the Council at the office of the Recorder of the Town for review by interested parties during regular office hours.

Following the public hearing, the Council intends to enact the Ordinance upon final reading.

Dated: August 8, 1997

Donald Goldizen
Mayor

8-8, 15

WV MUNICIPAL BOND COMMISSION
812 Quarrier Street
Suite 300
Charleston, WV 25301
(304)558-3971

NEW ISSUE REPORT FORM

Date of Report: August 28, 1997

(See Reverse for Instructions)

ISSUE: THE CITY OF BEVERLY SEWER REVENUE BONDS, SERIES 1997 A (West Virginia Infrastructure Fund)

ADDRESS: P. O. Drawer 279, Beverly, WV 26253 **COUNTY:** Randolph

PURPOSE OF ISSUE: New Money X Refunding ____ **Refunds issue(s) dated:** ____

ISSUE DATE: August 28, 1997 **CLOSING DATE:** August 28, 1997

ISSUE AMOUNT: $ 248,258 [1st DRAW 12,413] **RATE:** 0%

1st DEBT SERVICE DUE: 6/1/98 [ADS 6/37] **1st PRINCIPAL DUE:** 6/1/98

1st DEBT SERVICE AMOUNT: $1,581.27 **PAYING AGENT:** Municipal Bond Commission-UNB

ISSUERS
BOND COUNSEL: Steptoe & Johnson
Contact Person: Vincent A. Collins, Esq.
Phone: 624-8161

CLOSING BANK: Citizens National Bank
Contact Person: Roma Summerfield
Phone: 636-0988

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Debra Poling
Position: Town Clerk
Phone: 636-5360 **FAX:** ____

UNDERWRITERS
BOND COUNSEL: Jackson & Kelly
Contact Person: Samme L. Gee, Esq.
Phone: 340-1318

ESCROW TRUSTEE: ____
Contact Person: ____
Phone: ____

OTHER: West Virginia Infrastructure & Jobs Development Council
Contact Person: Susan Riggs
Function: Executive Director
Phone: 558-4607

DEPOSITS TO MBC AT CLOSE: By ____ Wire ____ Check

____ Accrued Interest: $ ____
____ Capitalized Interest: $ ____
____ Reserve Account: $ ____
____ Other: ____ $ ____

REFUNDS & TRANSFERS BY MBC AT CLOSE: By ____ Wire ____ Check ____ IGT

____ To Escrow Trustee: $ ____
____ To Issuer: $ ____
____ To Cons. Invest. Fund: $ ____
____ To Other: ____ $ ____

NOTES: ____

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: ____
TRANSFERS REQUIRED: ____

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS DEPOSITORY BANK

CITIZENS NATIONAL BANK, Beverly, West Virginia, a national banking association, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of The Town of Beverly (the "Issuer") enacted by the Council of the Issuer on August 21, 1997, and a Supplemental Resolution of the Issuer adopted by the Council of the Issuer on August 21, 1997 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), dated August 28, 1997, in the aggregate principal amount of $248,258 (the "Bonds"), and agrees to perform all duties of Depository Bank in connection with the Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this 28th day of August, 1997.

CITIZENS NATIONAL BANK

Rona Summerfield
Branch Manager

08/04/97
074550/97001

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association with its principal office in Charleston, West Virginia, hereby accepts appointment as Registrar in connection with The Town of Beverly Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), dated August 28, 1997, in the aggregate principal amount of $248,258 (the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 28th day of August, 1997.

ONE VALLEY BANK, NATIONAL ASSOCIATION

Assistant Vice President

08/04/97
074550/97001

THE TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF REGISTRATION OF BONDS

ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association with its principal office in Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of The Town of Beverly (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Sewer Revenue Bond, Series 1997 A (West Virginia Infrastructure Fund), of the Issuer, dated August 28, 1997, in the principal amount of $248,258, numbered AR-1, was registered as to principal only in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of One Valley Bank, National Association, as Registrar.

WITNESS my signature on this 28th day of August, 1997.

ONE VALLEY BANK, NATIONAL ASSOCIATION

Assistant Vice President

08/04/97
074550/97001

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 28th day of August, 1997, by and between THE TOWN OF BEVERLY, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $248,258 principal amount of Sewer Revenue Bonds, Series 1997 A (West Virginia Infrastructure Fund), in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted August 21, 1997, and a Supplemental Resolution of the Issuer duly adopted August 21, 1997 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar, from time to time, the compensation for services rendered as provided in the annexed schedule and reimbursement for reasonable expenses incurred in connection therewith.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: The Town of Beverly
Post Office Drawer 279
Beverly, West Virginia 26253
Attention: Mayor

REGISTRAR: One Valley Bank, National Association
Post Office Box 1793
One Valley Square
Charleston, West Virginia 25326
Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

THE TOWN OF BEVERLY

Donald C. Goldmann

Mayor

ONE VALLEY BANK, NATIONAL ASSOCIATION

Assistant Vice President

08/04/97
074550/97001

EXHIBIT A

Bond Legislation included in bond transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

TOWN OF BEVERLY

SEWER REVENUE BONDS, SERIES 1980
and
SEWERAGE SYSTEM BOND ANTICIPATION NOTES

BOND AND NOTES ORDINANCE

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TOWN OF BEVERLY

ORDINANCE

AN ORDINANCE AUTHORIZING THE CONSTRUCTION AND ACQUISITION OF CERTAIN SEWAGE FACILITIES OF THE TOWN OF BEVERLY, AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN $400,000 IN PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1980, AND BOND ANTICIPATION NOTES; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS AND NOTES; AUTHORIZING THE SALE OF SUCH BONDS AND NOTES TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY PURSUANT TO THE TERMS OF A LOAN AGREEMENT BETWEEN THE TOWN AND SAID AUTHORITY AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE TOWN OF BEVERLY, WEST VIRGINIA:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority of this Ordinance. This Ordinance (the "Bond Legislation") is enacted pursuant to the provisions of Article 13 of Chapter 16 of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. The Town of Beverly (the "Issuer") is a municipal corporation of the State of West Virginia in Randolph County.

B. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be constructed certain sewer facilities (the "Project") of the Issuer, constituting public service properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the "System") at an estimated cost of $3,397,720 in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed in the office of the Issuer.

C. The estimated revenues to be derived in each year after the enactment hereof from the operation of the System will be sufficient to pay all the costs of the operation and maintenance of said System, the principal of and interest on the Bonds and all Sinking Fund, Reserve Account and other payments provided for herein.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the principal amount of not more than $400,000 to finance costs of construction and acquisition of the Project. Said costs shall be deemed to include the cost of all property rights, easements and francises deemed necessary or convenient therefor and for the improvements and extensions thereto; interest upon the Bonds prior to and during construction or acquisition and for six months after completion of construction or of acquisition of the improvements and extensions; engineering, fiscal agents and legal expenses; expenses for estimates of cost and of revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, and such other expenses as may be necessary or incident to the financing herein authorized, and the construction or acquisition of the properties and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof.

E. The estimated maximum cost of construction of the Project is $3,397,720, of which $311,850 will be obtained from the proceeds of sale of the Bond Anticipation Notes herein authorized, $2,305,800 from a grant by the United States Environmental Protection Agency (EPA) $136,350 from a grant by Appalachian Regional Commission (ARC) and $563,720 from a grant by the Authority.

F. It is in the best interests of the Issuer that its Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement to be entered into between the Issuer and the Authority (the form of which agreement is attached hereto as Exhibit A, which Exhibit, by this reference, is incorporated herein and made a part hereof) (the "Loan Agreement").

G. The Issuer does not now own public service properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage, or industrial wastes.

H. There are not outstanding any obligations of the Issuer which will rank prior to or on a parity with the Bonds and the Notes as to lien and source of and security for payment.

I. Pending issuance of the Bonds, it is necessary for the Issuer to issue its bond anticipation notes (the "Notes") in the principal amount of $315,000 to provide interim financing for the Project, in accordance with the Loan Agreement.

J. The Issuer has complied with all requirements of West Virginia law relating to authorization of the construction, acquisition and operation of the Project and issuance of the Bonds and the Notes, or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of a Certificate of Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal holders of any and all of such Bonds and the coupons attached thereto, all which shall be of equal rank and without preference, priority or distinction between any one Bond and the coupons appertaining thereto and any other Bonds and the coupons appertaining thereto by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" shall mean Article 13 of Chapter 16 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" shall mean the West Virginia Water Development Authority, which shall be the original purchaser of the Bonds or any other Agency of the State of West Virginia that succeeds to the functions of the Authority.

"Bonds" shall mean the not in excess of $400,000 Sewer Revenue Bonds, Series 1980, originally authorized to be issued pursuant hereto, and any additional parity bonds hereafter issued within the terms, restrictions and conditions contained herein, and the interest coupons appertaining to said Bonds; and shall also mean until issuance of the Bonds, the Notes with reference to the provisions of Articles IV, V, VI and VII hereof except as expressly provided otherwise in Article III A hereof.

"Bondholder" or "Holder of the Bonds" or any similar term shall mean any person who shall be the bearer or owner of any outstanding Bond or Bonds registered to bearer or not registered, or the registered owner of any outstanding Bond or Bonds which shall at the time be registered other than to the bearer or of any coupons representing interest accrued or to accrue on the Bonds; and shall also mean, until issuance of the Bonds, the holder or owner of the Notes.

"Bond Legislation" shall mean this Ordinance and all ordinances and resolutions supplemental hereto or amendatory hereof.

"Commission" shall mean the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Consulting Engineers" shall mean West Augusta Company, Consulting Engineers, Elkins, West Virginia, or any engineer or firm of engineers that shall at any time hereafter be retained by the Issuer as Consulting Engineers for the System.

"Cost of Works" shall mean those costs described in Section 1.02(D) hereof to be a part of the cost of construction and acquisition of the Project.

"Fiscal Year" shall mean each twelve-month period beginning on July 1 and ending on the succeeding June 30.

"Governing Body" shall mean the Common Council of the Issuer.

"Gross Revenues" shall mean all rates, rents, fees, charges or other income (including, without limitation, sale proceeds) received by or accrued to the Issuer from the operation of the System, as calculated in accordance with generally accepted accounting practices.

"Herein," "hereto" and similar words shall refer to this entire Legislation.

"Independent Certified Public Accountants" shall mean Krisher & Krisher, certified public accountants, Charleston, West Virginia, or any other certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Issuer" shall mean the Town of Beverly in Randolph County, West Virginia, and where appropriate the Governing Body thereof.

"Loan Agreement" shall mean the Loan Agreement between the Authority and the Issuer providing as to purchase of the Bonds and the Notes from the Issuer by the Authority.

"Mayor" shall mean the Mayor of the Issuer.

"Notes" shall mean the Sewerage System Bond Anticipation Notes, Series 1980, of the Issuer authorized hereby in the principal amount of $315,000.

"Operating Expenses," unless qualified, shall mean the current expenses, paid or accrued, of repair, operation and maintenance of the System and includes, without limiting the generality of the foregoing, insurance premiums, supplies, labor, wages, the cost of materials and supplies used for current operations, administrative expenses of the Issuer relating and chargeable to the System and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting practices.

"Project" shall mean the sewer facilities described in Exhibit B attached hereto.

"Recording Officer" means the Recorder of the Issuer.

"Supplemental Resolution" shall mean any resolution which is supplemental hereto.

"System" shall mean the complete public service properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, in its entirety or any integral part thereof, and shall include any additions, betterments and improvements thereto hereafter constructed or acquired for said system from any sources whatsoever.

Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

Section 1.05. Exhibits. Exhibits attached hereto as parts hereof are as follows:

Exhibit A - Loan Agreement
Exhibit B - Project

ARTICLE II

AUTHORIZATION OF CONSTRUCTION AND ACQUISITION OF THE PROJECT

Section 2.01. Authorization of Construction and Acquisition. There is hereby authorized the construction and acquisition of the Project, plans and specifications for which have been prepared by the Consulting Engineers, and heretofore filed in the office of the Recording Officer. The proceeds of the Bonds hereby authorized shall be applied as provided in Article V hereof.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01. Authorization and Terms of Bonds. For the purpose of financing the cost of construction and acquisition of the Project, there shall be issued negotiable Sewer Revenue Bonds, Series 1980, of the Issuer, in the aggregate principal amount of not in excess of $400,000. Said Bonds shall be designated "Sewer Revenue Bonds, Series 1980"; and shall bear interest at such rate or rates, not exceeding the maximum rate authorized by the Act, and shall mature as the Issuer shall prescribe in the Supplemental Resolution. Interest on the Bonds shall be payable semiannually and shall commence as prescribed in the Supplemental Resolution. The Bonds shall be payable as to both principal and interest at the office of the Commission or through a paying agent or agents selected by the original purchaser or purchasers thereof, in any coin or currency that is legal tender for the payment of public or private debts under the laws of the United States of America, and shall be redeemable, in whole or in part, as set forth in the Supplemental Resolution.

The Issuer will issue the Bonds to be exchanged for the Notes, the Bonds shall comply in all respects with the provisions of the Loan Agreement, shall have the following terms, and shall be issued upon the following additional conditions:

(A) The Bonds shall be in an aggregate principal amount equal to the unpaid principal amount of all outstanding Notes plus the amount, if any, required by the Bond Resolution of the Authority referred to in the Loan Agreement to be paid from the proceeds of the Bonds to fund the Capital Reserve Fund and to pay all Costs of Issuance, (both "Capital Reserve Fund" and

"Costs of Issuance" are defined in said Bond Resolution including, without limitation, any consultant fees, related thereto (collectively, the "Issuing Expenses") as determined by the Authority, and the Issuer will advise the Authority of the amount, if any, of Issuing Expenses to be paid from any of its funds then available to pay such Issuing Expenses before utilizing the proceeds of the Bonds to do so; and

(B) The Bonds shall mature in the times and amounts as directed by the Authority, but not over a period of more than 40 years, and shall be dated, shall bear interest at such rate per annum (but not in excess of the legally permissible rate) as the Authority shall direct and shall be in denominations equal to the unpaid principal amount of each of the Notes to be exchanged, plus the pro rata portion of Issuing Expenses which are not to be paid from other funds of the Issuer attributable to each such Note.

The Bonds shall be issued in the form of coupon Bonds, registrable as to principal only, or in the form of one fully registered Bond with payment record attached (the "Registered Bond").

Coupon Bonds shall be in the denomination of $5,000 each and shall be dated as of the date which is six months preceeding the first interest payment date of the Bonds. Coupon Bonds shall bear interest from their date, payable in accordance with, and upon surrender of, the appurtenant interest coupons as they severally mature. The Registered Bond shall be dated as of the date of its delivery to the original purchaser thereof and shall bear interest from such date.

Except as otherwise provided in Section 3.04, before the delivery of any coupon Bonds, all matured coupons thereto attached, except matured coupons for which payment in full has not been provided, shall be cut off, cancelled and destroyed; provided, however, that if coupon Bonds are issued in exchange for the Registered Bond upon which interest is in default, as shown by the records of the Treasurer of the State, such coupon Bonds shall have attached thereto all coupons maturing after the date to which interest has been paid in full, as shown by such records, and in case any interest installments shall have been paid in part, appropriate notation shall be made on the coupons to evidence such fact.

Section 3.02. Execution of Bonds and Coupons. Said Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or a facsimile of the seal shall be imprinted thereon and attested by the Recording Officer. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

The coupons to be attached to the Bonds shall be authenticated with the facsimile signature of the present or future Mayor and Recording Officer of the Issuer.

Section 3.03. Negotiability, Transfer and Registration. The Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting any of said Bonds or the coupons appertaining thereto, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value in the manner provided hereinafter in the form of said Bonds.

So long as any of the Bonds remain outstanding, the Treasurer of the State of West Virginia shall keep and maintain books for the registration and transfer of the Bonds. Coupon Bonds

may be registered at the option of the Holder as to principal only at the office of the Treasurer of the State of West Virginia, such registration to be noted on the back of said Bonds in the space provided therefor. After such registration as to principal only, no transfer of the Bonds shall be valid unless made at said office by the registered owner, or by his duly authorized agent or representative, and similarly noted on the Bonds, but the Bonds may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored. At the option of the Holder the Bonds may thereafter again from time to time be registered or transferred as before. Such registration as to principal only shall not affect the negotiability of the coupons, which shall continue to pass by delivery.

The Registered Bond shall be transferable only upon the books of the Issuer, which shall be kept for the purpose at the office of the aforesaid Treasurer, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Treasurer of the State duly executed by the registered owner or his duly authorized attorney. Upon transfer of the Registered Bond, there shall be issued in the name of the transferee, coupon Bonds, with appropriate coupons attached, of the same aggregate principal amount equal to the unpaid principal amount of the Registered Bond, and having maturities corresponding to the principal installments of such Registered Bond then unpaid.

In all cases in which the privilege of exchanging Bonds or transferring the Registered Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds and coupons surrendered in any such exchanges or transfers shall forthwith be cancelled by the Treasurer. For every such exchange or transfer of Bonds, the Treasurer may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new coupon Bond upon each exchange or transfer, and any other expenses of the said Treasurer incurred in connection therewith, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer; provided, however, that in the event the Authority is the Bondholder requesting such exchange or transfer, the Issuer shall pay all such taxes, fees, governmental charges or other expenses incurred in making such exchange or transfer. The Treasurer shall not be obliged to make any such exchange or transfer of Bonds during the ten (10) days preceeding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed.

Section 3.04. Bonds Mutilated, Destroyed, Stolen, or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new Bond with all unmatured coupons, if any, so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond, and attached coupons, if any, or in lieu of and substitution for the Bond and coupons, if any, destroyed, stolen or lost and upon the Holder's furnishing the Issuer proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. All Bonds and coupons so surrendered shall be cancelled by the Recording Officer and held for the account of the Issuer. If such Bond or coupons shall have matured or be about to mature, instead of issuing a substitute Bond or coupon, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond or coupons be lost, stolen, or destroyed, without surrender therefor.

Any such duplicate Bond and coupons issued pursuant to this section shall constitute original, additional contractual obligations on the part of the Issuer, whether or not the lost, stolen or destroyed Bond or coupons be at any time found by any one, and such duplicate Bond and coupons shall be entitled to equal and proportionate benefits and rights as to lien and source of security for payment from the revenues pledged herein with all other Bonds and coupons issued hereunder.

Section 3.05. Form of Bonds and Coupons. The text of the Bonds, and of the coupons, shall be of substantially the following tenor, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof.

(Form of Coupon Bonds)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
COUNTY OF RANDOLPH
TOWN OF BEVERLY
SEWER REVENUE BOND, SERIES 1980

NO. _____ $5,000

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF BEVERLY, a municipal corporation of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay solely from the special funds provided therefor, as hereinafter set forth, to the bearer or, if this Bond be registered as to principal to the registered holder thereof, on the first day of _____, 19___, the sum of Five Thousand Dollars ($5,000) and solely from such special funds also to pay interest on said sum from the date hereof at the rate of _____ per centum (_____%) per annum semiannually, on the first day of _____ and the first day of _____ in each year beginning _____ 1, 19___, all such interest as may accrue on and prior to the maturity date hereof to be payable only upon presentation and surrender of the annexed coupons as they severally become due, both principal of, and interest on, this Bond being payable in any coin or currency which, on the respective dates of payment of principal and interest, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia, or at the option of the holder at the _____.

This Bond is subject to redemption prior to its stated date of maturity in whole or in part in inverse order of maturities (by lot if less than all the Bonds of the same maturity) only on or after the date on which all outstanding bonds issued by West Virginia Water Development Authority (the "Authority") to provide funds for the purchase of the Bonds of the issue of which this Bond is one are redeemable and at a price equal to the aggregate of (i) the corresponding principal amount of the bonds of the Authority to be redeemed by the Authority as a consequence of the redemption by the Issuer of all or a part of its Bonds outstanding (ii) the interest to accrue on the bonds of the Authority so to be redeemed to the next redemption date thereof and not previously paid, (iii) the applicable premium, if any, payable on the bonds of the Authority so to be redeemed, (iv) the applicable premium, if any,

payable on additional bonds of the Authority which also become redeemable by virtue of such redemption, (v) the costs and expenses of the Authority in effecting redemption of the bonds of the Authority so to be redeemed, and (vi) at the direction of the Authority, an amount equal to the proportionate amount of the additional bonds of the Authority so to be redeemed, if any, less other moneys of the Authority available therefor; provided, however, that in the event that the bonds of the Authority have been refunded and the refunding bonds were issued by the Authority in a principal amount in excess of or less than such bonds remaining unpaid at the date of issuance of such refunding bonds, the Issuer shall be obligated to pay under item (i) above the principal amount of such refunding bonds outstanding, and, in the event the interest the Authority is required to pay on said refunding bonds is less than the Authority was required to pay on its bonds, the Issuer shall be obligated to pay under item (ii) above the amount of interest to accrue on such outstanding refunding bonds of the Authority.

This Bond is one of an authorized issue of Bonds (the "Bonds") in the aggregate principal amount of $_____, of like date and of like tenor and effect, except as to principal amount, number, date of maturity, and interest rate, issued to finance the cost of construction and acquisition of new public service facilities for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the "System") in the territory to be served by the Issuer under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 13 of Chapter 16 of the West Virginia Code of 1931, as amended (the "Act"), an Ordinance duly enacted by the Council of the Issuer on the _____ day of _____, 19___, and a Supplemental Resolution adopted by said Council on the _____ day of _____, 19____ (collectively called the "Bond Legislation"), and is subject to all the terms and conditions of the Bond Legislation. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

The Bonds are payable only from and secured by a pledge of the net revenues to be derived from the operation of the System, which net revenues shall be sufficient to pay the principal of and interest on all Bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory

provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest thereon except from said special fund provided from the net revenues from the operation of the System. By the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates of charges for the use of the System and the services rendered thereby, which shall be sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 130% of the amount required to pay the maximum amount due in any ensuing year of principal of and interest on all obligations payable from such revenues. The Issuer has entered into certain further covenants with the holders of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the holders of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

This Bond is fully negotiable but may be registered as to principal only in the name of the holder on the books in the office of the Treasurer of the State of West Virginia, at Charleston, West Virginia, such registration to be evidenced by notation on the back hereof by the Treasurer, after which no transfer shall be valid unless made on said books and similarly noted hereon, but it may be discharged from such registration by being transferred to bearer, after which it shall be transferable by delivery, but it may be registered again as before. The registration of this Bond as to principal shall not restrain the negotiability of the coupons by delivery merely.

This Bond and the interest hereon shall be exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

All money received from the sale of this Bond or other Bonds of the issue of which this Bond is one, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the payment of the cost of the Project described in the Bond Legislation, including payment of the Notes authorized and issued pursuant to the Bond Legislation and any other indebtedness incurred by the Issuer for such purposes which is required to be paid from the moneys received from the sale of such Bonds, or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder or holders of said Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form

and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pleged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on the Bonds.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, the TOWN OF BEVERLY has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Recorder, and the coupons hereto attached to be executed with the facsimile signatures of said Mayor and Recorder, which officials by the execution of this Bond do adopt as their own proper signatures their facsimile signatures appearing on said coupons, and this Bond, all as of the first day of _____, 19___.

_____
Mayor

[SEAL]

ATTEST:

_____
Recorder

(Form of Coupon)

NO. _____ $_____

On the first day of _____, 19___, the Town of Beverly, Randolph County, West Virginia, will pay to bearer upon presentation of and surrender of this coupon the sum shown hereon, out of the special fund provided therefor, at the office of the West Virginia Municipal Bond Commission or at the _____, at the option of the holder hereof, said payment to be made in any coin or currency which on said date of payment is legal tender for the payment of public and private debts under the laws of the United State of America, as provided in, and for interest then due on, the Sewer Revenue Bond, Series 1980, dated _____ 1, 19___, to which this coupon is attached.

_____
Mayor

_____
Recorder

(No writing on this Bond except by the Treasurer of the State of West Virginia as Registrar)

Date of Registration	In Whose Name Registered	Signature of Registrar
_____	_____	_____
_____	_____	_____

[Form of Fully Registered Bond With Payment Record]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
COUNTY OF RANDOLPH
TOWN OF BEVERLY
SEWER REVENUE BOND, SERIES 1980

NO. R-1 $_____

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF BEVERLY, a municipal corporation of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to _____, (the "Payee") or registered assigns (the "Alternate Payee"), the sum of $_____, in installments on _____ 1 of each year as set forth below, with interest on each installment at the rate per annum set forth below opposite the year in which the installment becomes due:

Year	Installment	Interest Rate

The interest rate on each installment shall run from the original date of delivery of this Bond to the Payee and payment therefor and until payment of such installment, and such interest shall be payable on the first day of _____, and the first day of _____ in each year beginning _____ 1, 19___. Both principal of and interest on this Bond are payable in any coin or currency which, on the respective dates of payment of principal and interest, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia, or at the option of the Payee at the _____.

This Bond is subject to redemption prior to its stated date of maturity in whole or in part in inverse order of maturities only on or after the date on which all outstanding bonds issued by the West Virginia Water Development Authority (the "Authority") to

provide funds for the purchase of this Bond are redeemable and at a price equal to the aggregate of (i) the corresponding principal amount of the bonds of the Authority to be redeemed by the Authority as a consequence of the redemption by the Issuer of all or a part of its Bond outstanding, (ii) the interest to accrue on the bonds of the Authority so to be redeemed to the next redemption date thereof and not previously paid, (iii) the applicable premium, if any, payable on the bonds of the Authority so to be redeemed, (iv) the applicable premium, if any, payable on additional bonds of the Authority which also become redeemable by virtue of such redemption, (v) the costs and expenses of the Authority in effecting redemption of the bonds of the Authority so to be redeemed, and (vi) at the direction of the Authority, an amount equal to the proportionate amount of the additional bonds of the Authority so to be redeemed, if any, less other moneys of the Authority available therefor; provided, however, that in the event the bonds of the Authority have been refunded and the refunding bonds were issued by the Authority in a principal amount in excess of or less than such bonds remaining unpaid at the date of issuance of such refunding bonds, the Issuer shall be obligated to pay under item (i) above the principal amount of such refunding bonds outstanding, and, in the event the interest the Authority is required to pay on said refunding bonds is less than the Authority was required to pay on the bonds of the Authority, the Issuer shall be obligated to pay under item (ii) above the amount of interest to accrue on such outstanding bonds of the Authority.

This Bond is issued to finance the cost of construction and acquisition of new public service facilities for the collection, treatment, purification or disposal of liquid or solid wastes (the "System") in the territory to be served by the Issuer under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 13 of Chapter 16 of the West Virginia Code of 1931, as amended (the "Act"), an Ordinance duly enacted by the Council of the Issuer on the ____ day of _____, 19___, and a Supplemental Resolution adopted by said Council on the _____ day of _____, 19____ (collectively called the ""Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the net revenues to be derived from the operation of the System, which net revenues shall be sufficient to pay the principal of and interest on all Bonds which may be issued pursuant to the Act and

which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest thereon except from said special fund provided, and the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 130% of the amount required to pay the maximum amount due in any ensuing year of principal of and interest on all obligations payable from such revenues. The Issuer has entered into certain further covenants with the holders of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the holders of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of the Issuer kept for that purpose at the office of the Treasurer of the State of West Virginia, by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Treasurer of the State of West Virginia, duly executed by the Payee or its attorney duly authorized in writing. This Bond may be exchanged for an aggregate principal amount of coupon Bonds equal to the unpaid principal amount of this Bond, and having maturities corresponding with the principal installments of this Bond then unpaid.

This Bond and the interest hereon shall be exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the payment of the cost of the Project described in the Bond Legislation, including payment of the Notes authorized and issued pursuant to the Bond Legislation and any other indebtedness incurred by the Issuer for such purposes which is required to be paid from the moneys received from the sale of this Bond, or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be

performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, the TOWN OF BEVERLY has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Recorder, all as of the _____ day of _____, 19___.

_____
Mayor

[SEAL]

ATTEST:

_____
Recorder

[Form of Payment Record]

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due After Payment	Interest Payment (%)	Date Paid	Name of Paying Agent Authorized Officer And Title
	$	$	$		

SCHEDULE "A"

Principal installments on which payments have been made prior to maturity

Principal Due Date	Principal Due Amount	Principal Payment	Balance	Date Paid	Name of Paying Agent Authorized Officer and Title
	$	$	$		

[Form of Assignment]

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

the within Bond of the Town of Beverly, and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books of the said Town with full power of substitution in the premises.

Dated:

_____

In the presence of:

_____

Section 3.06. Sale of Notes and Bonds; Execution of Loan Agreement with Authority. The Notes and the Bonds shall be sold to the West Virginia Water Development Authority, Charleston, West Virginia, pursuant to the terms and conditions of the Loan Agreement to be entered into between the Issuer and the Authority, all the provisions of which are hereby ratified and confirmed herein and made a part hereof. The Mayor is specifically authorized and directed to execute the Loan Agreement in substantially the form of Exhibit A and the Recorder is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority.

ARTICLE IIIA

BOND ANTICIPATION NOTES

Section 3.01 A. Authorization and General. In order to pay certain costs of the construction of the Project pending the delivery of the Bonds to the Authority, bond anticipation notes ("Notes") of the Issuer shall be issued and sold in the amount of $315,000.

A fully registered Note shall be issued, representing the entire Note issue, which shall be designated "Sewerage System Bond Anticipation Note, Series 1980," shall bear such date, shall be numbered NR-1, and shall be in the denomination of $315,000, shall

be in fully registered single form, shall bear interest from date at the rate of 8% per annum, payable on such dates, shall mature, shall have such paying agents and shall have such other provisions as are not set forth herein as provided in supplemental Note Legislation to be adopted by the Governing Body prior to delivery of the Notes. The Note No. NR-1 shall contain substantially the provisions shown in the form set forth in Section 3.10 A below.

The Notes shall be executed for the Issuer by the Mayor, and the seal of the Issuer shall be impressed thereon and attested by the signature of the Recorder.

The Notes shall be sold pursuant to the Loan Agreement and to such supplemental Note Legislation.

The Notes shall be payable on demand of the Authority upon at least fourteen days written notice to the Issuer.

The Notes shall be renewed at the option of the Authority for a period not to exceed 1 year at lawful interest rates to be established by the Authority.

Section 3.02 A. Deposit of Note Proceeds. The amount received upon the sale of the Notes, less interest to become due until the maturity thereof, shall be deposited on receipt by or for the Issuer with a bank which is a member of the Federal Deposit Insurance Corporation ("FDIC"), in the Project Construction Account established hereby.

The balance received from the proceeds from the sale of the Notes shall be for payment of the interest on the Notes as such interest becomes due, and shall be directly deposited on receipt by or for the Issuer with the Commission in the Sinking Fund hereby established.

Section 3.03 A. Security for the Notes. The Notes shall be secured by the pledge by the Issuer of and by a first lien on (i) the proceeds of the sale of the Bonds issued to refund the Notes; (ii) all moneys and securities in the Sinking Fund, (iii) the proceeds from the sale of the Notes until expended as herein authorized, and (iv) the Net Revenues of the System until payment of the Notes, and said pledge by the Issuer for the benefit of the holders of the Notes, to the extent of the aggregate principal amount of the Notes and the interest thereon, is hereby made and granted. The Issuer will execute such documents as may be required, if any, to perfect such pledge and lien.

Section 3.04 A. Payment of Notes. At the maturity, or call prior to maturity, of the Notes, as provided in Section 3.01 A hereof, the Bonds originally issued pursuant hereto shall be used to defease the Notes and pay issuing expenses required by the Authority. The Issuer hereby assigns its right to receive funds as proceeds of said Bonds to the Authority, and there shall be no transfer of funds by the Authority to the Issuer as payment for said Bonds, except to the extent Bonds are issued in a principal amount in excess of the amount required to refund the Notes and pay costs of issuance of the Bonds and related costs.

Section 3.05 A. Notes Are Limited Obligations. The Notes shall be limited obligations of the Issuer, the interest of which is payable solely from certain of the proceeds from the sale of the Notes, the principal of which is payable from the sources described in Section 3.03 A above.

Section 3.06 A. Paying Agent. The Issuer, with approval of the Authority, may appoint as Paying Agent any bank, trust company or national banking association, but the Commission shall be the only Paying Agent unless the Issuer designates additional Paying Agents.

Section 3.07 A. Covenants. The Issuer agrees that until payment in full of the principal and interest owing on the Notes when due, the covenants contained in this Bond Legislation for the benefit of the Bondholders shall inure to the benefit of the holders of the Notes.

In addition, the Issuer covenants to issue and sell the Bonds to the Authority and to take all actions necessary to cause the Authority to purchase the Bonds to refund the Notes in accordance with the Loan Agreement.

Section 3.08 A. Events of Default and Enforcement. Each of the following events is hereby declared an "Event of Default": (a) failure to make timely payment of all principal and interest owing on the Notes at due date or maturity; and (b) failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the Issuer for the benefit of the holders of the Notes and the Bonds as herein provided.

On the happening of any Event of Default, then, and in each such case, the holders of the Notes or any one or more of such holders shall be entitled to proceed against all assets pledged for payment of the Notes, and shall have and are hereby given all further rights and remedies as are granted hereby to the Authority. Each holder of a Note shall be deemed to be a holder of a Bond upon such default.

Section 3.09 A. Supplemental Note Legislation. Following adoption hereof, and upon receipt of the Loan Agreement, the Issuer, if it be so advised, will adopt supplemental Note Legislation, which supplemental Note Legislation will provide, among other things, the interest payment dates, the maturity date and the sale price of the Notes and such other matters as shall be required or desired in connection with issuance of the Notes.

Section 3.10 A. Form of Notes. The Notes shall be in the following form, subject to such changes, insertions and deletions as the Mayor shall agree to by execution thereof:

(Form of Bond Anticipation Note)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF BEVERLY
SEWERAGE SYSTEM BOND ANTICIPATION NOTE
SERIES 1980

No. NR-1

$315,000

THE TOWN OF BEVERLY, a municipal corporation of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay to the order of West Virginia Water Development Authority the sum of THREE HUNDRED FIFTEEN THOUSAND DOLLARS ($315,000), subject to prior demand as provided in the below mentioned Bond Legislation, on June 1, 1981, with interest at the rate of eight per cent (8%) per year payable on November 28, 1980, and February 27 and May 29, 1981. Both principal and interest are payable in lawful money of the United States of America at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia, or at the option of the holder, at _____, _____.

This Note represents the entire issue of Series 1980 Notes in the aggregate principal amount of $315,000 duly authorized by the Issuer and issued in anticipation of the issuance of the Sewer Revenue Bond, Series 1980 (the "Bond"), of the Issuer in the principal sum of not to exceed $400,000 for aiding in the construction of a new public sewerage system (the "System") of the Issuer.

West Virginia Water Development Authority ("WDA") has agreed to purchase the Bond on the due date of this Note unless called prior to maturity or unless this Note has been renewed as provided below. The Bond has been authorized by the Issuer pursuant to Bond Legislation of the Issuer.

This Note is subject to renewal and to call prior to maturity upon the terms and conditions provided in the Bond Legislation mentioned below.

The principal of this Note is payable solely and only from the proceeds of sale of the Bond and, if WDA should not purchase the Bond, the principal of and interest on this Note is payable from the net revenues of the System defined in the Bond Legislation mentioned below. Payment of the principal of and interest on this Note is also secured by the proceeds from the sale hereof, until expended as authorized in the Bond Legislation. The proceeds of sale of the

Bond have been pledged to the owner hereof to secure payment of the principal of this Note.

Moneys from the proceeds of sale of the Note to pay the interest on the Note to maturity have been deposited with the West Virginia Municipal Bond Commission.

This Note is a limited and special obligation of the Issuer, and does not and shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory limitations or provisions, and the Issuer shall not be obligated to pay this Note or the interest hereon except from the proceeds of the Note and the Bond and any other sources which may be provided by the Bond Legislation referred to below.

This Note has been duly authorized by an Ordinance and a Supplemental Resolution of the Issuer (collectively called the "Bond Legislation"), pursuant to West Virginia Code, Chapter 16, Article 13 (the "Act").

The Act provides that this Note is exempt as to principal and interest from taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

Reference is made to the said Bond Legislation for further description of the security for payment hereof, the rights of the owner hereof and the rights and obligations of the Issuer.

Every requirement of law relating to the issuance hereof has been duly complied with.

IN WITNESS WHEREOF, the TOWN OF BEVERLY has caused this Note to be signed by its Mayor and has caused its seal to be hereto affixed and attested by its Recorder, all as of the date below written.

Dated: _____

TOWN OF BEVERLY

[SEAL]

By _____
Mayor

ATTEST:

_____
Recorder

[Form of Payment Record]

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due After Payment	Interest Payment (%)	Date Paid	Name of Paying Agent Authorized Officer And Title
	$	$	$		

SCHEDULE "A"

Principal installments on which payments have been made prior to maturity

Principal Due Date	Principal Due Amount	Principal Payment	Balance	Date Paid	Name of Paying Agent Authorized Officer and Title
	$	$	$		

[Form of Assignment]

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

the within Note of the Town of Beverly, and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Note on the books of the said Town with full power of substitution in the premises.

Dated:

_____

In the presence of:

_____

ARTICLE IV

SYSTEM REVENUES AND APPLICATION THEREOF

Section 4.01. System Revenues and Application Thereof. So long as any of the Bonds shall be outstanding and unpaid, the Issuer covenants with the Holders of the Bonds as follows:

A. Establishment of System Revenue Fund and Disposition of System Revenues. The entire gross revenues derived from the operation of the System and all parts thereof shall be deposited by the Issuer in a special fund in a bank in the State of West Virginia which is eligible under the laws of West Virginia to receive deposits of state and municipal funds, which fund (herein called the "Revenue Fund") is hereby established. The Revenue Fund shall constitute a trust fund for the purposes provided herein and shall be kept separate and distinct from all other funds of the Issuer and used only for the purposes and in the manner herein provided. All revenues at any time remaining on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first each month, from the moneys in the Revenue Fund, pay all reasonable operating expenses of the System.

(2) Thereafter, from the moneys in the Revenue Fund, the Issuer shall, on the first day of each month, commencing with and including the month of July, 1981, apportion and set apart out of the Revenue Fund and remit to the Commission, for deposit in a fund to be known as the "Sinking Fund," which is hereby created and established, a sum equal to one-sixth (1/6) of the amount of interest which will become due on the Bonds on the next interest payment date; provided, however, that in the event that the period to elapse between said initial payment date and the next semiannual interest payment date for the Bonds is less than six (6) months, then such monthly payments shall be increased proportionately to provide the required amount of interest maturing on the next semiannual interest payment date.

The Issuer shall also, from the Revenue Fund, remit to the Commission, on such dates or at such other times as the Commission shall require, such additional sums as shall be necessary to pay the fiscal agency charges due for paying the Bonds and the interest thereon.

The Issuer shall also apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in said Sinking Fund, as below provided, on the first day of each month, beginning on the first day of that month which is twelve (12) months prior to the first principal payment date of the Bonds, a sum equal to one-twelfth (1/12) of the amount of principal which will mature and become due on the Bonds on the next ensuing principal payment date.

The Commission is hereby designated as the fiscal agent for the administration of the Sinking Fund created hereunder, and all amounts required for said Sinking Fund shall be remitted to the Commission from said Revenue Fund and from the proceeds of the sale of the Notes as provided in Article V hereof by the Issuer at the times provided herein.

Moneys in the Sinking Fund shall be used only for the purposes of paying principal of and interest on the Bonds as the same shall become due.

The Issuer shall next, from the Revenue Fund, remit to the Commission for deposit in the Reserve Account hereby established in said Sinking Fund, on the first day of each month of each year, beginning with and including the month in which payments from the Revenue Fund for semiannual interest are commenced, an amount equal to twenty per centum (20%) of all amounts required to be deposited for maturing principal and interest into the Sinking Fund, as provided above, on said dates: Provided, however, that no further payments shall be made into the Reserve Account when there shall have been deposited and as long as there shall remain on deposit

therein, an amount equal to the maximum amount of principal and interest that will mature and become due on the Bonds in any succeeding fiscal year.

Moneys in the Reserve Account shall be used only for the purpose of payment of maturing principal of or interest on the Bonds when other moneys in the Sinking Fund are insufficient therefor and for no other purpose.

Any withdrawals from the Reserve Account shall be subsequently restored from the first revenues available after all required payments to the Sinking Fund and Reserve Account, including any deficiencies for prior payments, have been made in full.

The Issuer shall not be required to make any further payments into said Sinking Fund or into the Reserve Account when the aggregate amount of funds in both said Sinking Fund and said Reserve Account are at least equal to the aggregate principal amount of the Bonds then outstanding, plus the amount of interest due or thereafter to become due on the Bonds.

As and when additional bonds ranking on a parity with the Bonds herein authorized are issued, provision shall be made for additional payments into said Sinking Fund sufficient to pay the interest on such additional parity bonds and accomplish retirement thereof at maturity and to accumulate a balance in the Reserve Account in an amount equal to the maximum provided and required to be paid into the Sinking Fund in any calendar year for account of all the Bonds, including such additional bonds which by their terms are payable from said Sinking Fund.

The payments into the Sinking Fund shall be made on the first day of each month, except that when the first day of any month shall be a Sunday or legal holiday then such payments shall be made on the next succeeding business day, and all such payments shall be remitted to the Commission with appropriate instructions as to the Account in which to be deposited and the custody, use and application thereof consistent with the provisions hereof.

Moneys in the Sinking Fund shall be used solely and only and are hereby pledged for the purpose of servicing the Bonds.

(3) Thereafter, from the moneys remaining in said Revenue Fund, the Issuer shall next, on the first day of each month, commencing with the first month in which interest shall be first payable from the Revenue Fund, remit to a bank which is eligible under the laws of West Virginia to receive deposits of public funds for deposit in a special account to be designated "Renewal and Replacement Fund," which account is hereby established and created,

a sum equal to two and one-half per centum (2-1/2%) of the gross revenues each month, exclusive of any payments for account of the Reserve Accounts. All funds in said Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer, and all or any part of said Fund may be invested in bonds or other direct or fully guaranteed obligations of the United States of America maturing or being subject to retirement at the option of the holder within not more than ten (10) years from the date of such investment. Withdrawals and disbursements may be made from said Renewal and Replacement Fund for replacements, emergency repairs, additions, betterments or improvements to the System; provided, however, that any deficiency in the Reserve Account (except to the extent such deficiency exists because the required payments into the Reserve Account have not as of the date of determination of a deficiency not funded such Reserve Account to the maximum extent required by Section 4.01(A)(2)), shall be promptly eliminated with moneys from the Renewal and Replacement Fund in amounts sufficient to eliminate such deficiency.

(4) Whenever all of the required and provided transfers and payments from said Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in said Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid for operating expenses and into the Sinking Fund and the Renewal and Replacement Fund during the next succeeding three (3) months, such excess shall be considered as surplus revenues. Said surplus revenues shall be first used for the construction and acquisition of improvements and extensions to the System, and, thereafter, to the extent not needed for such purposes, said surplus revenues and any surplus moneys in the Sinking Fund, exclusive of the Reserve Account, in excess of the amount of interest to become due on the next interest payment date and the amount of principal to become due within the next succeeding twelve (12) months, may be used to purchase or prepay Bonds, any such purchase upon the open market to be at a price not exceeding the par value thereof plus three per centum (3%) of such par value, or to redeem Bonds at a price not in excess of the redemption price thereof, or for debt service on obligations not on a parity with the Bonds, the proceeds of which obligations were used to finance such additions, betterments or improvements.

(5) The moneys in excess of the sum insured by the Federal Deposit Insurance Corporation ("FDIC") in the Revenue Fund and for the Renewal and Replacement Fund (unless remitted to the Commission) shall at all times be secured, to the full extent thereof in excess of such insured sum, by direct obligations of the United States of America or such other obligations as shall be eligible as security for deposits of state and municipal funds under the laws of the State of West Virginia.

(6) If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds on the subsequent payment dates.

(7) Moneys in the Reserve Account shall be invested and reinvested by the Commission in direct obligations of the United States of America having maturities not longer than two (2) years from the date of purchase. Moneys in the Reserve Account in excess of the maximum amount required to be therein shall, at least annually, be deposited in the Sinking Fund by the Commission.

(8) All remittances made by the Issuer to the Commission shall clearly identify the funds or accounts into which each amount is to be deposited.

ARTICLE V

APPLICATON OF BOND AND NOTE PROCEEDS

Section 5.01. Construction Trust Fund. From the moneys received from the sale of any or all the Notes, the following amounts shall be first deducted and deposited:

A. The sum required to pay interest on the Notes to maturity shall be deposited in the Sinking Fund and used to pay interest on the Notes as the same becomes due.

B. Upon issuance of the Bonds and exchange of the Bonds for the Notes and payment of allocated issuance expenses of the Bonds of the Authority as provided in the Loan Agreement, any balance remaining from the sale of the Bonds shall be deposited in the Construction Trust Fund described below.

The remaining moneys derived from the sale of the Notes shall be deposited by the Issuer in a fund to be known as the "Construction Trust Fund," which is hereby created, which fund shall be kept separate and apart from all other funds of the Issuer and shall be drawn out, used and applied by the Issuer solely for the payments of the cost of the construction and acquisition of the Project, and purposes incidental thereto, and for no other purposes whatsoever. The moneys in said fund shall be secured at all times by the deposit of such bonds in direct obligations of the United States of America having a fair market value at least equal to the balance in excess of the amount insured by FDIC in said fund. If for any reason such proceeds, or any part thereof, are not necessary

for, or are not applied to, such purposes, then such unapplied proceeds shall be deposited by the Issuer in the Sinking Fund and shall be used only as provided herein. All such proceeds shall be and constitute a trust fund for such purposes, and there is hereby created a lien upon such moneys until so applied in favor of the Holders of the Bonds.

Expenditures or disbursements from said Construction Trust Fund, except for legal, fiscal and engineering expenses and expenses in connection with the issuance and sale of the Bonds shall be made only after such expenditures or disbursements shall have been approved in writing by the Consulting Engineers.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. General Covenants of the Issuer. All the covenants, agreements and provisions hereof shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Bonds. In addition to the other covenants, agreements and provisions hereof, the Issuer hereby covenants and agrees with the Holders of the Bonds as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Bonds or the interest thereon are outstanding and unpaid.

Section 6.02. Bonds not to be Indebtedness of the Issuer. Neither the Bonds nor coupons appertaining thereto shall be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the revenues of the System, as herein provided.

Section 6.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of all the Bonds shall be secured forthwith equally and ratably by a first lien on the net revenues derived from the operation of the System, to the extent necessary to make the payments required under Section 4.01 hereof. The revenues derived from the System, in an amount sufficent to pay the principal of and interest on the Bonds and to make the payments into the Sinking Fund, including the Reserve Account therein, and all other payments provided for herein are hereby irrevocably pledged, in the manner provided herein, to the payment of the principal of and interest on the Bonds as the same become due, and for the other purposes provided herein.

Section 6.04. Rates. Prior to the issuance of the Bonds, equitable rates or charges for the use of and service rendered by the System will be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file in the office of the Recording Officer of the Issuer, each of which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce gross revenues from said System to pay operating expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. The Issuer shall take the necessary actions with respect to the imposition of rates at such times and with such provisions with respect to interest rate and maturity of the Bonds to finance the issuance of the Bonds as the Authority shall require. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient to provide for all reasonable expenses of operation, repair and maintenance of the System and to leave a balance each year equal to at least 130% of the maximum amount required in any ensuing year to pay the interest on and the principal of the Bonds as the same become due and accomplish retirement of all obligations for the payment of which such revenues have or shall have been pledged, charged or otherwise encumbered.

Section 6.05. Completion, Operation and Maintenance. The Issuer will expeditiously complete and maintain in good condition said System and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the revenues of the System in the manner provided herein.

Section 6.06. Sale of the System. The System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds outstanding, The proceeds from such sale, mortgage, lease or other disposition of the System shall immediately be remitted to the Commission for deposit in the Sinking Fund, and the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest on the Bonds as they become due or in accordance with redemption provisions hereof. Any balance remaining after the payment of all the Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, unless otherwise prohibited by law, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of Ten Thousand Dollars ($10,000), the Issuer shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of Ten Thousand Dollars ($10,000) but not in excess of Fifty Thousand Dollars ($50,000), the Issuer shall first, in writing, determine with the written approval of the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and then authorize such sale, lease or other disposition of such property upon public bidding. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $10,000 and not in excess of $50,000, shall be remitted by the Issuer to the Commission for deposit in the Sinking Fund and shall be applied only to the purchase or prepayment of Bonds of the last maturities then outstanding at prices not greater than the par value thereof plus three per centum (3%) of such par value. Such payments of such proceeds into the Sinking Fund or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions hereof.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of $50,000 and insufficient to pay all the Bonds then outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of sixty-six and two-thirds per centum (66-2/3%) in amount of Bonds then outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer will not issue any other obligations whatsoever, except additional parity bonds provided for in Section 6.08 hereof payable from the revenues of the System which rank prior to or equally, as to lien on and source of and security for payment from such revenues with the Bonds; and all obligations hereafter issued by the Issuer payable from the revenues of the System, except such additional parity

bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Bonds; provided, however that no such subordinate obligations shall be issued unless the Reserve Account in the Sinking Fund is funded to the extent that no further payments are required therefor as provided in Section 4.01(A)(2).

Except as provided in Section 6.08 below, the Issuer will not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Bonds and the interest thereon, upon any of the income and revenues of the System pledged hereby for payment of the Bonds and the interest thereon or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. No additional parity bonds, as in this section defined, payable out of the revenues of the System, shall be issued after the issuance of any Bonds pursuant hereto, except under the conditions and in the manner herein provided.

No such additional parity bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of additions, betterments and improvements to the System or refunding the entirety of one or more series of Bonds issued pursuant hereto or both such purposes.

No such additional parity bonds shall be issued at any time, however, unless and until there has been procured and filed with the Board a written statement by a certified public accountant not in the regular employ of the Issuer based upon the necessary investigation and certification by the Consulting Engineers, reciting the conclusion that the net revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any twelve (12) consecutive months, within the eighteen (18) months immediately preceding the date of the actual issuance of such additional parity bonds, plus the estimated average increased annual net revenues to be received in each of the three (3) succeeding years after the completion of the improvements to be financed by such additional parity bonds shall not be less than one hundred thirty per centum (130%) of the largest aggregate amount that will mature and become due in any succeeding fiscal year for principal of and interest on the following:

(1) The Bonds originally issued pursuant hereto then outstanding;

(2) Any additional parity bonds theretofore issued pursuant to the provisions contained herein then outstanding; and

(3) The additional parity bonds then proposed to be issued.

The "estimated average increased annual net revenues to be received in each of the three (3) succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased net revenues estimated to be derived from (a) the improvements to be financed by such additional parity bonds and (b) any increase in rates effected by the Issuer prior to the date of delivery of such additional parity bonds, and shall not exceed the amount stated in a certificate of the Consulting Engineer which shall be filed in the office of the Recording Officer of the Issuer prior to the issuance of such additional parity bonds.

The net revenues actually derived from the System during the twelve-consecutive-month period hereinabove referred to may be adjusted by adding to such net revenues such additional net revenues which would have been received, in the opinion of the Consulting Engineers and the said certified public accountant as stated in a certificate jointly made and signed by the Consulting Engineers and said certified public accountant, on account of increased rates, rentals, fees and charges for the System provided for by the Issuer prior to issuance of such additional parity bonds.

Not later than simultaneously with the delivery of such additional parity bonds, the Issuer shall have entered into written contracts for the immediate construction or acquisition of such additions, betterments or improvements to the System that are to be financed by such additional parity bonds.

The term "additional parity bonds," as used in this section, shall be deemed to mean additional bonds issued under the provisions and within the limitations of this section, payable from the revenues of the System on a parity with the Sewer Revenue Bonds, Series 1980, and all the covenants and other provisions hereof (except as to details of such additional parity bonds inconsistent herewith) shall be for equal benefit, protection and security of the Holders of the Sewer Revenue Bonds, Series 1980, and the holders of any additional parity bonds subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds, regardless of the time or times or their issuance, shall, rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any bond or coupon over any other. The Commission shall comply fully with all the increased payments

into the various funds created hereby required for and on account of such additional bonds, in addition to the payments required for Bonds theretofore issued pursuant hereto.

All additional parity bonds shall have the same monthly maturity date and the same semiannual interest payment dates as the Bonds originally issued hereunder.

The term "additional parity bonds," as used in this section, shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued the lien of which on the revenues of the System is subject to the prior and superior lien of the Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or equally, as to lien and source of and security for payment from such revenues, with the Bonds, except in the manner and under the conditions provided in this section.

No additional parity bonds, as in this section defined, shall be created at any time, however, unless all the payments into the respective funds and accounts provided for herein on the Bonds then outstanding, and any other payments provided for herein, shall have been made in full as required to the date of delivery of the additional bonds and the Issuer shall then be in full compliance with all the covenants, agreements and terms hereof.

Notwithstanding any of the foregoing provisions, with the written consent in advance of the Authority and upon compliance with the terms, limitations and conditions contained herein, additional parity Bonds may be authorized and issued by the Issuer pursuant to supplemental resolution solely to complete the Project in accordance with the plans and specifications therefor now on file with the Recording Officer of the Issuer in the event that the Bonds issued hereunder should be insufficient, together with other funds lawfully available therefor, to pay all costs of construction and acquisition of the Project; provided, however, that prior to the issuance of such additional parity bonds under the provisions of this paragraph, the Consulting Engineers shall file with the Recording Officer of the Issuer a statement to the effect that additional funds are needed and shall state the amount thereof deemed to be adequate for such purpose. All such additional parity bonds authorized and issued under the provisions of this paragraph shall be limited to the aggregate principal amount required to make up any deficiency in funds for payment of the construction costs to complete the Project and the maturities of any such additional parity bonds shall be in years and amounts suggested by the Authority.

Section 6.09. Insurance. The Issuer will carry, with a reputable insurance carrier or carriers, such insurance as is customarily carried with respect to works and properties similar to the System, against loss or damage by fire, explosion, hurricane, earthquake, cyclone, occupancy or other hazards and risks, which insurance shall at all times be in an amount or amounts equal to the fair appraisal value of the buildings, properties, furniture, fixtures and equipment of the System. In time of war, the Issuer shall also carry in said amount such insurance as may be available against loss or damage by the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for said Renewal and Replacement Fund. The Issuer will also carry liability insurance for damage or injury to persons or property in amounts adequate for such purposes and customarily carried with respect to works and properties similar to the System.

Section 6.10. Services Rendered to the Issuer. The Issuer will not render or cause to be rendered any free services of any nature by its System; and in the event the Issuer or any officer or employee of the Issuer shall avail itself or themselves of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such officer or employee.

Section 6.11. Remedies and Appointment of Receiver. Any Bondholder may, by proper legal action, compel the performance of the duties of the Issuer hereunder and under the Act, including the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any default in the payment of interest on any Bonds when the same shall become due, or in the payment of the principal of any Bond or Bonds at the specified date of maturity thereof, or otherwise in the performance of any covenant contained herein other than as to such payment and such default shall continue for a period of thirty (30) days after written notice to the Issuer of such default, any Bondholder shall, in addition to all other remedies or rights, including, but not limited to, the right of foreclosure provided in the Act, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the Bonds and interest thereon, the deposits into the funds and accounts hereby established as herein provided and the payment of operating expenses of the System, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions hereof and of the Act.

The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and maintain, manage and control such facilities, and each and every part thereof, and in the name of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might do.

Whenever all principal due upon the Bonds and interest thereon and under any covenants hereof for Reserve, Sinking or other funds and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the revenues of the System shall have been paid and made good, and all defaults under the provisions hereof shall have been cured and made good, possession of the System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Bondholder shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby, and a successor receiver may be appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Holders of Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Bondholders, and the curing and making good of any default under the provisions hereof, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the System.

Section 6.12. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rates, rentals or other charges for the services and facilities of the System and take all steps, actions and proceedings for the enforcement and collection of such fees, rates, rentals or other charges that shall

become delinquent to the full extent permitted or authorized by the laws of the State of West Virginia. All such fees, rates and charges, if not paid when due, shall become a lien on the premises served by the System. When such fees, rates and charges have been delinquent for thirty (30) days, the Issuer shall have the power to forthwith foreclose the lien on the premises served in the manner provided for the foreclosure of mortgages on real property by the laws of West Virginia, as provided by the Act.

Whenever any rates, rentals or charges for services or facilities of the System shall remain unpaid for a period of thirty days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid. The Issuer further convenants and agrees that in the event it owns a waterworks system (the "Water System"), it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services and facilities of the System and the Water System to all delinquent users of services and facilities of the System and will not restore such services of either System until all delinquent charges for the services and facilities of the System, plus reasonable interest penalty charges for the restoration of service, have been fully paid.

Section 6.13. No Competing Franchise. The Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation or body, or agency or instrumentality whatsoever for the providing of any services that would compete with services provided by the System.

Section 6.14. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow currently accepted accounting practices and safeguards. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Issuer. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Sanitary Board of the Issuer shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the Consulting Engineers and the Authority, and shall mail in each year to any Holder or Holders of Bonds requesting the same, an annual report containing the following:

A. A statement of gross revenues, operating expenses and net revenues derived from the System.

B. A balance sheet statement showing all deposits in all the funds provided for herein and the status of all said funds.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by a certified public accountant and shall mail upon request, and make available generally, the report of said certified public accountant or a summary thereof to any Holder or Holders of Bonds and shall file said report with the Authority.

Section 6.15. Operating Budget. The Sanitary Board of the Issuer shall annually, at least thirty (30) days preceding the beginning of each fiscal year, prepare and adopt by resolution a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year. No expenditures for the operation and maintenance of the System shall be made in any fiscal year in excess of the amounts provided therefor in such budget without a written finding and recommendation by the Consulting Engineers, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the said Sanitary Board shall have unanimously authorized the same. The said Sanitary Board shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to any Bondholder who shall file his address with the said Sanitary Board and request in writing that copies of all such budgets and resolutions be furnished him and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any Bondholder or anyone acting for and in behalf of such Bondholder.

Section 6.16. Mandatory Connections. The mandatory use of the sewer facilities of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare and the economy of the inhabitants of the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant and occupant of every lot, parcel and tract of land that abuts on a street, alley or other public way in which any sewer line, main or

facility is located, or which is located within a reasonable distance thereof, not exceeding 300 feet, and is reasonably accessible thereto, and upon which lot, parcel or tract a building or other habitable structure has been or shall be erected for residential, commercial or industrial use, shall connect the waste or sewage lines of such building or structure with the facilities of the System if sewage will flow by gravity from such building or structure into the facilities of the System and shall thereupon and thereafter refrain from using and shall cease to use any other method for the disposal of sewage or water-borne waste matter and shall pay all charges, fees and rates lawfully provided for use of the sewer facilities.

Any such building or structure from which emanates sewage or water-borne waste matter and not so connected with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Modification or Amendment. No material modification or amendment hereof or of any ordinance or resolution amendatory hereof or supplemental hereto that would materially and adversely affect the rights of Bondholders shall be made without the consent in writing of the Holders of two-thirds (2/3) or more in principal amount of the Bonds then outstanding; provided, however, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the revenues of the System without the consent of the Holder thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds required for consent to the above permitted amendments or modifications.

Section 7.02. Severability of Invalid Provisions. If any section, paragraph, clause or provision hereof shall be held invalid, such invalidity shall not affect any of the remaining provisions hereof.

Section 7.03. Repeal of Conflicting Ordinances and Resolutions. All ordinances, resolutions and orders, or parts thereof, in conflict herewith are to the extent of such conflict repealed.

Section 7.04. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the final enactment and passage hereof do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the Recorder and members of the Governing Body were at all times when any actions in connection herewith occurred, and are, duly in office and duly qualified for such offices.

Section 7.05. Defeasance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds and coupons the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and herein, then the pledge of any revenues, and other moneys and securities pledged hereby and all covenants, agreements and other obligations of the Issuer to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds or coupons or interest installments for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the paying agent at the same or earlier time, shall be sufficient, to pay as and when due the principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Bonds and all coupons appertaining to such Bonds shall prior to the maturity thereof be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Commission at the same time, shall be sufficient, to pay when due the principal of and interest due and to become due on the Bonds on and prior to the maturity dates thereof as the case may be. Neither securities or moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Bond; provided that any cash received from such principal or interest payments on such securities deposited with the Commission, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and interest to become due on said Bonds on and prior to such maturity dates

thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Issuer, as received by the Commission, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only obligations of, or obligations guaranteed by, the United States of America.

Section 7.06. Restrictions as to Arbitrage Bonds. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 103(c)(2) of the Internal Revenue Code, and the Mayor shall deliver his certificate, based upon this covenant, with regard thereto to the Authority.

Section 7.07. Effective Date. This Bond Legislation shall take effect upon final reading, in the manner prescribed by law.

Section 7.08. Statutory Notice and Public Hearing. Upon adoption hereof, this Bond Legislation shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in the Elkins Inter-Mountain, a newspaper published and of general circulation in Randolph County, West Virginia, there being no newspaper published in the Town of Beverly, together with a notice stating that this Bond Legislation has been adopted and that the Issuer contemplates the issuance of the Bond, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the second publication of this Bond Legislation and notice, and present protests. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Passed on First Reading — September 26, 1980
Passed on Second and Final Reading Following Public Hearing — October 17, 1980

Frank Hinkle
Mayor

Recorder

RESOLUTION

A Resolution supplementing an ordinance entitled:

> An Ordinance authorizing the construction and acquisition of certain sewerage facilities of the Town of Beverly and the financing of the cost, hereof, not otherwise provided, through the issuance by the Town of not more than $400,000 in principal amount of Sewer Revenue and Bond Anticipation Notes; Bonds, and Series 1980, providing for the rights and remedies of and security for the holders of such bonds and notes; authorizing the sale of such bonds and notes to the West Virginia Water Development Authority pursuant to the terms of a Loan Agreement between the Town and said Authority; and adopting other provisions relating thereto,

enacted by the Council of said Town on October 17, 1980, (the "Ordinance"), as amended on September 8, 1981, by an amendatory resolution (the "Renewal Note Resolution") accepting the Water Development Authority's extension of the stated maturity of the Town's Sewerage System Bond Anticipation Renewal Note, 1981 Series A, from May 31, 1981 to May 31, 1982.

WHEREAS, by adoption of the Renewal Note Resolution, as described above, there was authorized and issued to the West Virginia Water Development Authority (the "Authority"), the Town's Sewer System Bond Anticipation Renewal Note, 1981 Series A (the "Renewal Note");

WHEREAS, said Renewal Note was issued in accordance with Subsection 4.1(b)(iii) of the Loan Agreement, dated October 23, 1980, between the Town and the Authority (the "Loan Agreement"), and Section 3.01A of the said Ordinance enacted by the Council of the Town on October 17, 1980, as amended by the Renewal Note Resolution (collectively, the "Local Act");

WHEREAS, the Renewal Note, outstanding in the principal amount of $315,000, matures on May 31, 1982;

29B

WHEREAS, the Authority, by letter dated May 24, 1982, a copy of which is attached as Exhibit A hereto and incorporated herein by reference (the "Extension Letter"), has extended the stated maturity of the Renewal Note to November 30, 1982, and has expressly waived any event of default under the Local Act, the Loan Agreement or the Renewal Note for nonpayment of the Renewal Note on May 31, 1982, upon the terms set forth in the Extension Letter; and

WHEREAS, it is in the best interests of the Town and the inhabitants thereof to accept said extension and waiver, and the terms thereof;

NOW, THEREFORE, Be It Resolved by the Council of the Town of Beverly, West Virginia, as follows:

1. The Authority's extension of the stated maturity of the Renewal Note from May 31, 1982, to November 30, 1982, its waiver of an event of default under the Local Act, the Loan Agreement and the Renewal Note and the terms thereof, all as set forth in the Extension Letter, are hereby accepted.

2. The Mayor of the Town is hereby authorized and directed to execute the duplicate of the Extension Letter, and the Clerk of the Town is hereby authorized and directed to return such executed duplicate, together with a certified copy of this resolution, to the Authority and to cause an opinion of Bond Counsel in requisite form, to be delivered to the Authority, all prior to May 31, 1982, or as soon thereafter as this resolution is adopted, but in any event prior to June 8, 1982.

3. This resolution shall take effect immediately upon adoption.

Adopted this 10TH day of JUNE, 1982.

James R. Hare
Mayor

Certified a true copy as of this 10TH day of JUNE, 1982

[SEAL]

Kenneth E. Bills
Recorder

06/01/82
WDA

SUPPLEMENTAL
RESOLUTION

WHEREAS, THE TOWN OF BEVERLY (the "Governmental Agency") acting through its governing body, has heretofore, on October 17, 1980, enacted a bond and notes resolution authorizing issuance of the Governmental Agency's Sewer Revenue Bonds, and said ordinance has been amended by amendatory and supplemental resolutions regarding extension of maturity of the Governmental Agency's interim financing as represented by a bond anticipation note;

WHEREAS, West Virginia Water Development Authority ("WDA") has informed the Governmental Agency that permanent financing for the sewer system will be available shortly, and in anticipation thereof, the Governmental Agency has heretofore executed and delivered to WDA a revised Loan Agreement dated June 10, 1982 (the "Loan Agreement") setting forth certain provisions in connection with the permanent bonds;

WHEREAS, it is in the best interest of the Governmental Agency to accept the terms for permanent financing as set forth in the Loan Agreement and "Schedule X", attached thereto, as presented to this meeting.

NOW THEREFORE, BE IT RESOLVED, by the Common Council of the TOWN OF BEVERLY, that the Loan Agreement and the execution and delivery thereof be ratified and approved and that "Schedule X" thereto, as presented to this meeting, be hereby approved in the form so presented.

BE IT FURTHER RESOLVED that issuance of the Governmental Agency's Bonds in the aggregate principal amount and with interest rates and payment dates and other provisions as set forth in said Schedule X is hereby authorized and approved.

This resolution shall be supplemental to the original ordinance enacted by the Governmental Agency on October 17, 1980 and shall take effect immediately.

Adopted this 24th day of June, 1982.

James R. Ware
Mayor

Acting Recorder

06/21/82
WDA

TOWN OF BEVERLY

Sewer Revenue Bonds, Series 1982

RESOLUTION PROVIDING AS TO DATE, MATURITY, INTEREST RATE AND SALE PRICE OF THE SEWER REVENUE BONDS, SERIES 1982, OF THE TOWN OF BEVERLY; CHANGING SERIES DESIGNATION; AUTHORIZING ISSUANCE OF SUCH BONDS IN TWO SEPARATE SERIES AND AUTHORIZING, APPROVING AND RATIFYING A NEW LOAN AGREEMENT AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Town of Beverly (the "Issuer") is a municipal corporation of the State of West Virginia, the governing body of which is its Common Council (the "Governing Body"); and

WHEREAS, the Governing Body has duly and officially enacted on October 17,1980, an Ordinance (the "Bond and Notes Ordinance") entitled:

AN ORDINANCE AUTHORIZING THE CONSTRUCTION AND ACQUISITION OF CERTAIN SEWAGE FACILITIES OF THE TOWN OF BEVERLY, AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN $400,000 IN PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1980, AND BOND ANTICIPATION NOTES; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS AND NOTES; AUTHORIZING THE SALE OF SUCH BONDS AND NOTES TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY PURSUANT TO THE TERMS OF A LOAN AGREEMENT BETWEEN THE TOWN AND SAID AUTHORITY AND ADOPTING OTHER PROVISIONS RELATING THERETO.

providing for the issuance of the Sewer Revenue Bond, Series 1980, of the Issuer (the "Bond"), in the principal amount not to exceed $400,000, and providing for the issuance of Sewerage System Bond Anticipation Notes, Series 1980, of the Issuer (the "BAN") in the aggregate principal amount of $315,000, all in accordance with West Virginia Code, Chapter 16, Article 13 (the "Act") and the Issuer has, on October 17, 1980, September 8, 1981, and June 10, 1982 adopted Resolutions supplementing the Bond and Notes Ordinance

(such supplemental Resolutions, together with the Bond and Notes Ordinance, and this Supplemental Resolution collectively called herein the "Bond Legislation") and in the Bond and Notes Ordinance it is provided that the actual principal amount, maturity date, interest rate, interest payment dates, sale price and other provisions relating to the Bond should be established by a Supplemental Resolution

WHEREAS, in order for the Bond to be sold by the Issuer to West Virginia Water Development Authority ("WDA") pursuant to the Bond and Notes Ordinance, it is necessary for such bond issue to be issued in two series, one subordinate to the other, and with such other changes in the proposed issue as are set forth in a Loan Agreement, dated June 10, 1982, (the "Loan Agreement") heretofore entered into by and between the Issuer and WDA.

WHEREAS, the Governing Body deems it essential and desirable that this Resolution (the "Bond Resolution") be adopted and that the Loan Agreement be authorized, approved and ratified by the Issuer, that the principal amounts, prices, maturity dates, interest rates and interest payment dates of the two series of Sewer Revenue Bonds, Series 1982 (collectively, the "Bonds") be fixed hereby in the manner stated herein and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE TOWN OF BEVERLY:

Section 1. Pursuant to the Bond and Notes Ordinance and the Act, this Bond Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 1982 A (the "Series 1982 A Bonds") of the Issuer in the aggregate principal amount of Two Hundred Eighty-Five Thousand Dollars ($285,000), and the Sewer Revenue Bonds, Series 1982 B (the "Series 1982 B Bonds"), of the Issuer in the aggregate principal amount of Eighty Six Thousand Five Hundred Dollars ($86,500).

The Series 1982 A Bonds shall be dated October 28, 1982, shall bear interest at the rates, payable on the respective principal installments on April 1 and October 1 of the years and shall have principal installments payable on October 1 of such years and in such amounts as are set forth in "Schedule X" to the Loan Agreement, which Loan Agreement and said Schedule X are attached hereto as a part hereof and fully incorporated herein.

The Series 1982 B Bonds shall be dated October 28, 1982, shall not bear interest and shall have principal installments payable on October 1, of such years and in such amounts as are set forth in said Schedule X.

Section 2. The Issuer hereby directs the Bonds to be sold to WDA and does hereby authorize, approve and ratify the Loan Agreement, and the execution and delivery thereof, a copy of which is incorporated herein by reference. The purchase price of the Series 1982 A and Series 1982 B Bonds, pursuant to the Loan Agreement shall be $240,825 (84.5%) and $86,500 (100%), respectively.

Section 3. The Bonds shall be secured in the manner and payable solely from the Net Revenues derived from operation of the System (as defined in the Bond and Notes Ordinance). The Series 1982 B Bonds shall be junior and subordinate with respect to sources and security for payment to the Series 1982 A Bonds.

The text of the Series 1982 A Bond shall be of substantially the following form, with such omissions, insertions and variations as may be approved by the Mayor as evidenced by his execution thereof:

[Form of Series 1982 A Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF BEVERLY
SEWER REVENUE BOND, SERIES 1982 A

NO. R-1 $285,000

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF BEVERLY, a municipal corporation of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Payee"), or its registered assigns (the "Alternate Payee"), the sum of Two Hundred Eighty-Five Thousand Dollars ($285,000), in installments on October 1 of each year, with interest on the outstanding balance hereof at the rates per annum set forth in the Schedule of Payments attached hereto opposite the year in which the installment becomes due.

The interest rate on each installment shall run from the original date of delivery of this Bond to the Payee and payment therefor, and until payment of such installment, and such interest shall be payable on the first day of April and the first day of October in each year, beginning April 1, 1983. Both principal of and interest on this Bond are payable in any coin or currency which, on the respective dates of payment of principal and interest, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia, through Charleston National Bank, Charleston, West Virginia.

This Bond is subject to redemption prior to its stated date of maturity in whole or in part in inverse order of maturities only on or after the date on which all outstanding bonds issued by the West Virginia Water Development Authority (the "Authority") to provide funds for the purchase of this Bond are redeemable and at a price equal to the aggregate of (i) the corresponding principal amount of the bonds of the Authority to be redeemed by the Authority as a consequence of the redemption by the Issuer of all or a part of its Bond outstanding, (ii) the interest to accrue on the bonds of the Authority so to be redeemed to the next redemption date thereof and not previously paid, (iii) the applicable premium, if any, payable on the bonds of the Authority so to be redeemed, (iv) the applicable premium, if any, payable on additional bonds of the Authority which also become redeemable by virtue of such redemption, (v) the costs and expenses of the Authority in effecting redemption

of the bonds of the Authority so to be redeemed, and (vi) at the direction of the Authority, an amount equal to the proportionate amount of the additional bonds of the Authority so to be redeemed, if any, less other moneys of the Authority available therefor; provided, however, that in the event the bonds of the Authority have been refunded and the refunding bonds were issued by the Authority in a principal amount in excess of or less than such bonds remaining unpaid at the date of issuance of such refunding bonds, the Issuer shall be obligated to pay under item (i) above the principal amount of such refunding bonds outstanding, and, in the event the interest the Authority is required to pay on said refunding bonds is less than the Authority was required to pay on the bonds of the Authority, the Issuer shall be obligated to pay under item (ii) above the amount of interest to accrue on such outstanding bonds of the Authority.

This Bond is issued to finance a portion of the costs of construction and acquisition of new public service facilities for the collection, treatment, purification or disposal of liquid or solid wastes (the "System") in the territory to be served by the Issuer under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 13 of Chapter 16 of the West Virginia Code of 1931, as amended (the "Act"), an Ordinance duly enacted by the Council of the Issuer on October 17, 1980, and as supplemented by resolutions duly adopted by the Council of the Issuer on September 8, 1981, June 10, 1982 and October 26, 1982 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the net revenues to be derived from the operation of the System, which net revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest thereon except from said special fund provided, and the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 130% of the amount required to pay the maximum amount due

in any ensuing year of principal of and interest on all obligations payable from such revenues. The Issuer has entered into certain further covenants with the holders of this Bond for the terms of which reference is made to the Bond Legislation. Remedies provided the holders of this Bond are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of the Issuer kept for that purpose at the office of the Treasurer of the State of West Virginia, by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Treasurer of the State of West Virginia, duly executed by the Payee or its attorney duly authorized in writing. This Bond may be exchanged for an aggregate principal amount of coupon Bonds equal to the unpaid principal amount of this Bond, and having maturities corresponding with the principal installments of this Bond then unpaid.

This Bond shall be exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the payment of the cost of the Project described in the Bond Legislation, including payment of the Notes authorized and issued pursuant to the Bond Legislation and any other indebtedness incurred by the Issuer for such purposes which is required to be paid from the moneys received from the sale of this Bond, or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, the TOWN OF BEVERLY has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Recorder, all as of the 28th day of October, 1982.

_____
Mayor

[SEAL]

ATTEST:

_____
Recorder

SCHEDULE OF PAYMENTS

Year	Principal Installment	Interest Rate
1983		
1984		
1985		
1986		
1987		
1988		
1989		
1990		
1991		
1992		
1993		
1994		
1995		
1996	$ 5,000	11.90%
1997	$ 5,000	12.00%
1998	$ 5,000	12.00%
1999	$ 5,000	12.00%
2000	$ 5,000	12.00%
2001	$ 5,000	12.00%
2002	$ 5,000	12.00%
2003	$ 5,000	12.00%
2004	$ 5,000	12.00%
2005	$ 5,000	12.00%
2006	$10,000	12.00%
2007	$10,000	12.00%
2008	$10,000	12.00%
2009	$10,000	12.00%
2010	$10,000	12.00%
2011	$15,000	12.00%
2012	$15,000	12.00%
2013	$15,000	10.00%
2014	$20,000	10.00%
2015	$20,000	10.00%
2016	$20,000	10.00%
2017	$25,000	10.00%
2018	$25,000	10.00%
2019	$30,000	10.00%

[Form of Payment Record]

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due After Payment	Interest Payment Rate	Date Paid	Name of Paying Agent Authorized Officer And Title
	$	$	$		

[Form of Assignment]

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

the within Bond of the Town of Beverly, and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books of the said Town with full power of substitution in the premises.

Dated:

_____

In the presence of:

_____

The text of the Series 1982 B Bond shall be of substantially the following form, with such omissions, insertions and variations as may be approved by the Mayor as evidenced by his execution thereof:

[Form of Series 1982 B Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF ELIZABETH
SEWER REVENUE BOND, SERIES 1982 B

No. R-1 $86,500

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF BEVERLY, a municipal corporation of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Payee"), or its registered assigns (the "Alternate Payee"), the sum of Eighty Six Thousand Five Hundred Dollars ($86,500), in 37 equal annual installments of $2,337.84 each, commencing October 1, 1983, and continuing on the first day of each October thereafter, to and including October 1, 2019, without interest.

The principal payments of this Bond are payable in any coin or currency which, on the respective dates of payment is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia, through The Charleston National Bank, Charleston, West Virginia.

This Bond is subject to redemption prior to its stated date of maturity in whole or in part in inverse order of maturities at any time, at the price of the par value hereof or principal installments remaining to be paid, without premium, but only with the written consent of the West Virginia Water Development Authority (the "Authority").

This Bond is issued to finance a portion of the costs of construction and acquisition of new public service facilities for the collection, treatment, purification or disposal of liquid or solid wastes (the "System") in the territory to be served by the Issuer under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 13 of Chapter 16 of the West Virginia Code of 1931, as amended (the "Act"), an Ordinance duly enacted by the Council of the Issuer on October 17, 1980, as supplemented by resolutions duly adopted by the Council of the Issuer on September 9, 1981, June 10, 1982 and October 26, 1982 (collectively called the ""Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance

of additional bonds under certain conditions, and such bonds may be entitled to be paid and secured prior to this Bond from the funds and revenues and other security provided for this Bond under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues to be derived from the operation of the System (as defined in the Bond Legislation), which Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same except from said special fund provided, and the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 130% of the amount required to pay the maximum amount due in any ensuing year of principal of and interest on all obligations payable from such revenues. The Issuer has entered into certain further covenants with the holders of this Bond for the terms of which reference is made to the Bond Legislation. Remedies provided the holders of this Bond are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of the Issuer kept for that purpose at the office of the Treasurer of the State of West Virginia, by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Treasurer of the State of West Virginia, duly executed by the Payee or its attorney duly authorized in writing.

This Bond shall be exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the payment of the cost of the Project described in the Bond Legislation, including payment of the Notes authorized and issued pursuant to the Bond Legislation and any other indebtedness incurred by the Issuer for such purposes which is required to be paid from the moneys received from the sale of this Bond, or to the appurtenant sinking

fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder of this Bond.

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO SOURCES OF AND SECURITY FOR PAYMENT TO THE OUTSTANDING SEWER REVENUE BOND, SERIES 1982 A, OF THE ISSUER, ISSUED CONCURRENTLY HEREWITH AND DESCRIBED IN THE BOND LEGISLATION.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, the TOWN OF BEVERLY has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Recorder, all as of the 28th day of October, 1982.

_____
Mayor

[SEAL]

ATTEST:

_____
Recorder

[Form of Payment Record]

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due After Payment	Name of Paying Agent Authorized Officer And Title
	$	$	

[Form of Assignment]

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

the within Bond of the Town of Beverly, and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books of the said Town with full power of substitution in the premises.

Dated:

_____

In the presence of:

_____

Section 4. The Issuer does hereby expressly approve and ratify all modifications pertaining to the Bonds, the sources of and security for payment therefor and the establishment of funds as set forth in the Loan Agreement. The System Revenues and application thereof shall be as provided in Article IV of the Bond and Notes Ordinance, except that debt service on the Series 1982 B Bonds shall not be paid from System Revenues until and unless, there is first paid by the Issuer:

(a) all reasonable operating expenses of the System;

(b) debt service on the Series 1982 A Bonds;

(c) required deposits into the Reserve Account as provided in the Bond and Notes Ordinance; and

(d) required deposits into the Renewal and Replacement Account as provided in the Bond and Notes Ordinance.

All other provisions of the Bond and Notes Ordinance shall apply equally to the Series 1982 A Bonds and the Series 1982 B Bonds, unless expressly modified in the Loan Agreement or this Bond Resolution.

Section 5. So long as any of the Bonds are outstanding, the Issuer covenants that:

(i) the Bonds shall be secured by the Net Revenues from the System;

(ii) the Series 1982 B Bonds shall be subordinate to the Series 1982 A Bonds as to lien and source of payment.

(iii) the schedule of rates or charges for the services of the System shall be sufficient to provide funds which along with other revenues of the System will pay all reasonable expenses of operation, repair and maintenance of the System and leave a balance each year equal to at least 130% of the maximum amount required for debt service on all obligations, including the Series 1982 A Bonds and Series 1982 B Bonds, payable from the revenues of the System;

(iv) the Issuer will complete, operate and maintain the System in good condition;

(v) the System will not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully the Bonds outstanding and are applied for such purpose, or, if such condition cannot be met, only upon receipt of the prior written consent of WDA to such sale;

(vi) the Issuer shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Series 1982 A Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements financed by such parity bonds, shall not be less than 130% of the maximum debt service in any succeeding year on the Series 1982 A Bonds and parity bonds theretofore and then being issued; provided, however, that additional parity bonds may be issued to complete the Project without regard to the foregoing, and further provided that the Issuer may issue obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Series 1982 B Bonds, with the written consent of the Authority;

(vii) the Issuer will carry such insurance as is customarily carried with respect to works and properties similar to the System;

(viii) the Issuer will not render any free services of the System;

(ix) any bondholder may, be proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the

Bonds, the right to obtain the appointment of a receiver to administer the System as provided by law;

(x) all delinquent rates and charges, if not paid when due, shall become a lien on the premises served by the System;

(xi) in the event the Issuer owns a waterworks system (the "Water System"), it will, to the full extent permitted by law, discontinue and shut off the services and facilities of the System and the Water System to all delinquent users of services of the System and will not restore the services of either system until all delinquent charges for the services of the System have been fully paid, to the extent such action is permitted by law;

(xii) the Issuer will not grant any franchise to provide any services which would compete with the System;

(xiii) the Issuer shall annually cause the records of the System to be audited by a certified public accountant;

(xiv) the Issuer shall annually adopt a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year;

(xv) to the extent authorized by the laws of the State, prospective users of the System shall be required to connect thereto;

(xvi) except to the extent used to refund notes or other short-term indebtedness issued in anticipation thereof, the proceeds of the Bonds, except for accrued interest, shall be deposited in a construction fund on which the holder of the Bonds shall have a lien until such proceeds are applied to the construction of a water development project; and

(xvii) that the Bond Legislation has been duly enacted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law.

Section 6. The Mayor and the Recorder are hereby authorized and directed to execute and deliver the Bonds and such certificates and other documents required or desirable in connection with the issuance and delivery of the Bonds, and to take all other actions required by the Loan Agreement.

Section 7. The Paying Agent for the Bonds is hereby designated to be The Charleston National Bank, a national banking association with principal office in Charleston, West Virginia.

Section 8. The financing of the Project by the Bond issue is in the public interest, serves a public purpose and will promote the health, welfare and safety of the residents of the Issuer.

Section 9. This Supplemental Resolution shall be effective immediately.

Adopted October 26, 1982.

James R. Ware
Mayor

[SEAL]

ATTEST:

acting Enid E. Coberly
Recorder

10/27/82
BEVER1-B

STATE OF WEST VIRGINIA
WATER DEVELOPMENT AUTHORITY
1201 DUNBAR AVENUE
DUNBAR, WV 25064
(304) 348-3612

RECEIVED
DEC 10 1985
WATER DEVELOPMENT AUTHORITY

August 21, 1985

The Honorable James R. Ware
Mayor, Town of Beverly
Town Hall
Beverly, West Virginia 26253

Re: Governmental Agency Bonds and Loan Agreement

Gentlemen:

As you know, the West Virginia Water Development Authority (the "Authority") owns two series of sewerage system revenue bonds (the "Governmental Agency Bonds") of the Town of Beverly (the "Governmental Agency"). The Governmental Agency Bonds were purchased by the Authority pursuant to the terms of a loan agreement, dated June 9, 1982, as to the Authority (the "Loan Agreement").

On June 19, 1985, the Authority issued $46,320,000 in aggregate principal amount of West Virginia Water Development Authority Water Development Revenue Bonds (Loan Program), 1985 Series A (the "1985 Series A Bonds"). The proceeds of the 1985 Series A Bonds were used, among other things, to refund prior to maturity the Authority's 1982 Series A Bonds, a portion of the proceeds of which was used to purchase one of the series of the Governmental Agency Bonds. One of the reasons for the advance refunding was to effect modifications in certain of the local covenants required by the resolution pursuant to which the 1982 Series A Bonds were issued. Such modifications generally increased the number of years over which the reserve account may be built up to the reserve account requirement, reduced the debt service coverage requirement in general and reduced the debt service coverage required for the issuance of parity obligations. Accordingly, the Loan Agreement may be amended as follows:

1. Subsection 4.1(a) of the Loan Agreement may be amended to read as follows:

> (a) That the revenues generated from the operation of the System will be used monthly

29E

first to pay operation and maintenance expenses of the System; second, to the extent not otherwise limited by an outstanding local resolution or ordinance, to provide debt service on the Local Bonds, which shall include the establishment of a reserve account for the payment of debt service on the Local Bonds (the "Reserve Account") into which shall be deposited an amount equal to one-twelfth (1/12) of one-tenth (1/10) of the amount necessary to fund the Reserve Account at an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in any year (the "Reserve Requirement") or, if the Reserve Account has been so funded (whether by monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement; third, to create a renewal and replacement, or similar, fund in an amount equal to two and one-half percent (2-1/2%) of the gross revenues of the System, exclusive of the payments into the Reserve Account, for the purpose of improving or making emergency repairs or replacements to the System, or eliminating any deficiencies in the Reserve Account; and fourth, to pay debt service on the Supplemental Bonds or to purchase Local Bonds on the open market, or to redeem Local Bonds, or to pay debt service on obligations junior and subordinate to the Local Bonds (other than the Supplemental Bonds). The gross revenues of the System shall always be used for purposes of the System.

2. Subsection 4.1(b)(iii) of the Loan Agreement may be amended as follows:

> (iii) That the schedule of rates or charges for the services of the System shall be sufficient to provide funds which, along with other revenues of the System, will pay all reasonable expenses of operation and maintenance of the System and leave a balance each year equal to at least one hundred fifteen percent (115%) of the maximum amount required in any year for debt service on the Governmental Agency Bonds and all other obligations secured by or payable from the revenues of the System prior to or on a parity with the Local Bonds or, if the Reserve Account is funded (whether by monthly deposits or otherwise) at an amount at least equal to the Reserve Requirement and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum amount required in any year for debt service on the Governmental Agency Bonds and any such prior or parity obligations.

3. Subsection 4.1(b)(vi) of the Loan Agreement may be amended as follows:

> (vi) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of

such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by or payable from the revenues of the System prior to the Local Bonds; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date of the Loan Agreement, without regard to the foregoing.

The local act pursuant to which the Local Bonds were issued may also be amended to reflect the above modifications.

Please indicate the Governmental Agency's acceptance of these modifications by executing the copy of this letter attached and returning it, together with a certified copy of the official action of the Governmental Agency accepting such modifications, to the Authority.

Very truly yours,

Edgar N. Henry

EDGAR N. HENRY, P.E.
DIRECTOR

cc: West Virginia Municipal Bond Commission

Accepted this 12th day of November, 1985.

TOWN OF BEVERLY

By James R Ware

Its Mayor

Town of Beverly
Minutes of Board Meeting
November 12, 1985

The regular monthly meeting of the Beverly Water and Sanitary Board was held Tuesday, November 12, 1985 at 7:30 p.m. at the Beverly Town Hall.

Those present were Mayor James R. Ware, Boardmembers Troy Ware and Paul Gowers; Councilperson Enid Coberly; Clerk Barbara Bennett; Public Accountant Roger Fussell and vistor Willard Streets.

Mayor Ware called the meeting to order.

Willard Streets

Willard Streets addressed the Board over his most recent water and sewer bill for $78.61. He said they couldn't possible have used this water. There are 3 in the family and no one is home during the day. The plumber checked and no leaks were found. The Board asked Mr. Streets to pay $20.00 this month. No decision will be made, until operators pull and check meter.

Roger Fussell

Roger Fussell discussed with the Board setting up a depreciation account and debt reserve account for the water department. After reading the Bond Ordinance, Mr. Fussell interrupted it as saying, payments into the reserve account could stop once they have reached $12,400.00. Troy Ware made a motion to pay $400.00 monthly into a reserve account set-up with the State Investment Fund and to pay 2½% of the gross billing per month into a depreciation account at a local bank. Paul Gowers seconded the motion. Motion carried.

Cut Expense

Mayor Ware discussed with Board several ways to cut down on operating expenses.

Grants to Up-Grade Water System

The Board asked Mayor Ware to set up a meeting with Joe Zambelli, Director for Region VII to discuss grants to up-date the water system.

Office Expenses

The water department will make payments to Town for office expenses as funds are available.

Minutes

The Board accepted minutes for Sept. 9th, Sept. 17th, Oct.7th, and Oct. 15th.

Debt Service Reserve Payment

Paul Gowers made a motion, seconded by Troy Ware to reduce our debt service reserve fund payment on sewage from $557. to $278 monthly. All agreed.

Cablentertainment

The Board agreed the $100.00 per month from Cablentertainment should be revenue for the Town.

Comp Time/Fred Riggleman & June Conley

STATE OF WEST VIRGINIA
WATER DEVELOPMENT AUTHORITY
1201 DUNBAR AVENUE
DUNBAR, WV 25064
Telephone (304) 558-3612
Telecopier (304) 558-0299

August 28, 1997

The Town of Beverly
Sewer Revenue Bonds, Series 1997 A
(West Virginia Infrastructure Fund)

TO WHOM IT MAY CONCERN:

The undersigned duly authorized representative of West Virginia Water Development Authority, the registered owner of the entire outstanding aggregate principal amount of the Sewer Revenue Bonds, Series 1982 A (the "Series 1982 A Bonds"), and the Sewer Revenue Bonds, Series 1982 B (the "Series 1982 B Bonds") of The Town of Beverly (the "Issuer"), hereby consents to the issuance of the Sewer Revenue Bonds, Series 1997 (West Virginia Infrastructure Fund) (the "Bonds"), in the original aggregate principal amount of $248,258, by the Issuer, under the terms of the ordinance authorizing the Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Series 1982 A Bonds and senior and prior, with respect to liens, pledge and source of and security for payment, to the Series 1982 B Bonds.

Director

08/04/97
074550/97001

288664.1

RECEIVED JUL 3 1 1997

DIVISION OF ENVIRONMENTAL PROTECTION
1201 Greenbrier Street
Charleston, WV 25311-1088

CECIL H. UNDERWOOD
GOVERNOR

JOHN E. CAFFREY
DIRECTOR

July 31, 1997

Mr. Brian Huffman
Chapman Technical Group
P.O. Box 229
Buckhannon, WV 26201

RE: Proposed line extension project for Town of Beverly

Dear Mr. Huffman:

This letter is written in response to our telephone conversation of July 28, 1997 in which the question was raised concerning the necessity of issuing a WV/NPDES permit modification for the proposed line extension for the Town of Beverly. The extension would collect the domestic discharge of the United Parcel Service and additional residential customers in that area.

Given the minimal scope of this project, this Office would not issue a WV/NPDES permit modification. The Bureau of Public Health permit issuance should be sufficient.

Should you have additional questions, please contact Robert Bates of my staff at (304) 558-4086 or by TDD at (304) 558-2751.

Sincerely,

Pravin G. Sangani, P.E.
Engineering Branch Leader

PGS/rb

31A

Received 12/19/94
Copy

GASTON CAPERTON
GOVERNOR

DIVISION OF ENVIRONMENTAL PROTECTION
1201 Greenbrier Street
Charleston, WV 25311-1088

DAVID C. CALLAGHAN
DIRECTOR

December 15, 1994

Honorable Barbara Smith
Mayor, Town of Beverly
Drawer 279
Beverly, WV 26241

CERTIFIED RETURN RECEIPT REQUESTED

Dear Mayor Smith:

Enclosed find WV/NPDES Water Pollution Control Permit No. WV0045136, dated the 9th day of December 1994, for the Town of Beverly, West Virginia.

Please be advised that the final Permit has been amended to prescribe effluent discharge limitations that are equivalent to the effluent discharge limitations prescribed in the previous permit. Resultant to a miscommunication relative to the discharge load allocation, more stringent effluent discharge limitations had been proposed in the draft Permit.

All facilities permitted to discharge pollutants to the waters of the State under Chapter 22, Article 11 of the West Virginia Code are required to test their effluent in order to verify permit compliance. This testing is the responsibility of the permittee and these test results are to be submitted to the office on the Discharge Monitoring Report (DMR) which is attached to the back of this permit. A (DMR) is to be completed and received by this office each month no later than 20 days following the end of the reporting period. The address to which DMRs are to be sent is noted in Section E.2, Attention: Municipal Branch. It is suggested that several copies of the enclosed DMR form be made for your future use, as this office does not supply permittees with DMR forms.

Please note the attachment to this permit which describes the annual permit fee requirement.

Please also note Section G.7 on page 10 prohibiting the acceptance of new nondomestic wastewater discharges without prior Office approval.

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If you have any questions, please contact John Morgan of this office at (304) 558-4086 or TDD No. (304) 558-2751.

Very truly yours,

OFFICE OF WATER RESOURCES

Pravin G. Sangani, P. E.
Municipal Branch Leader

PGS:mll

Enclosure

FORM WPCP-1A-82
Revised 3/93

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF WATER RESOURCES
1201 GREENBRIER STREET
CHARLESTON, WV 25311

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

WATER POLLUTION CONTROL PERMIT

Permit No. WV0045136

Issue Date: December 9, 1994

Subject: Sewage Facilities

Effective Date: January 9, 1995

Expiration Date: December 8, 1999

Supersedes: WV/NPDES Permit No. WV0045136 issued on April 24, 1989

Location:	Beverly (City)	Randolph (County)	Monongahela (Drainage Basin)

Outlet Sites: **Latitude:** 38° 51' 12" North
Longitude: 79° 52' 17" West

To whom it may concern:

This is to certify that Town of Beverly
Post Office Drawer 279
Beverly, WV 26241

is hereby granted a NPDES Water Pollution Control Permit to operate and maintain an existing 0.34 MGD wastewater collection and treatment system consisting of approximately 42,000 linear feet of eight(8) inch diameter gravity sewer line, 100 linear feet of ten(10) inch diameter gravity sewer line, 207 manholes, four(4) lift stations, 300 linear feet of four(4) inch diameter force main, 3,000 linear feet of six(6) inch diameter force main, 4,000 linear feet of eight(8) inch diameter force main, a grit chamber, a communitor, a bar screen, a 0.34 MGD oxidation ditch, two(2) 43,850 gallon clarifiers, two(2) 5,040 gallon each chlorine contact chambers, dechlorination unit, cascade post aeration unit, an 8,000 gallon sludge decant tank, three(3) covered sludge drying beds totaling 5,292 square feet, and all necessary appurtenances.

Facilities are designed to serve approximately 3,400 persons of the Town of Beverly and discharge treated wastewater to the Tygart Valley River (approximately 86.8 miles from its mouth) of the Monongahela River.

(Continued on Page 2)

This permit is subject to the following terms and conditions:

The information submitted on and with Permit Application No. WV0045136, dated the 9th day of November 1993, is all hereby made terms and conditions of this permit with like effect as if such information was set forth herein, with other conditions set forth in Sections A, B, C, D, E, F, and G.

Summer Limitations (May 1 through October 31)

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning January 9, 1995 and lasting through midnight, December 8, 1999 the permittee is authorized to discharge from outlet number(s): 001-Discharge from sewage treatment facilities

Such discharges shall be limited and monitored by the permittee as specified below:

	Discharge Limitations				Monitoring Requirements	
Effluent Characteristic	(Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Measurement Frequency	Sample Type
Flow			0.34 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	56.7	113.4	20.0 mg/l	40.0 mg/l	1/Month	8 Hour Composite
Total Suspended Solids	85.1	170.1	30.0 mg/l	60.0 mg/l	1/Month	8 Hour Composite
Total Kjeldahl Nitrogen(TKN)	28.4	56.7	10.0 mg/l	20.0 mg/l	1/Month	8 Hour Composite
Fecal Coliform			200 Counts per 100ml	400 counts per 100ml	1/Month	Grab
Dissolved Oxygen			Not less than 6.0 mg/l at any given time		1/Month	Grab
Total Residual Chlorine			Not more than 41.24 ug/l at any given time		1/Month	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored monthly by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Title 46, Series 1, Section 3 of the West Virginia Legislative Rules issued pursuant to Chapter 22, Article 11.

Winter Limitations (November 1 through April 30)

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning January 9, 1995 and lasting through midnight, December 8, 1999 the permittee is authorized to discharge from outlet number(s): 001-Discharge from sewage treatment facilities

Such discharges shall be limited and monitored by the permittee as specified below:

	Discharge Limitations				Monitoring Requirements	
Effluent Characteristic	(Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Measurement Frequency	Sample Type
Flow			0.34 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	85.1	170.1	30.0 mg/l	60.0 mg/l	1/Month	8 Hour Composite
Total Suspended Solids	85.1	170.1	30.0 mg/l	60.0 mg/l	1/Month	8 Hour Composite
Total Kjeldahl Nitrogen (TKN)	51.0	102.1	18.0 mg/l	36.0 mg/l	1/Month	8 Hour Composite
Fecal Coliform			200 Counts per 100ml	400 counts per 100ml	1/Month	Grab
Dissolved Oxygen			Not less than 6.0 mg/l at any given time		1/Month	Grab
Total Residual Chlorine			Not more than 41.24 ug/l at any given time		1/Month	Grab

The pH shall not be less than 6.0 **standard units and not greater than** 9.0 **standard units and shall be monitored** monthly by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Title 46, Series 1, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22, Article 11.

B. SCHEDULE OF COMPLIANCE

1. The permittee shall achieve compliance with the provisions for waste treatment and the discharge limitations specified in this permit in accordance with the following schedule:

   Effective date of permit

2. Reports of compliance or noncompliance with, and progress reports on the interim and final requirements contained in the above compliance schedule, shall be submitted no later than 14 days following each schedule date.

C. MANAGEMENT CONDITIONS

1. Duty to Comply

(a) The permittee must comply with all conditions of this permit. Permit noncompliance constitutes a violation of the CWA and State Act and is grounds for enforcement action; for permit modification, revocation and reissuance, suspension or revocation; or for denial of a permit renewal application.

(b) The permittee shall comply with all effluent standards or prohibitions established under Section 307(a) of the CWA for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.

2. Duty to Reapply

If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for a new permit at least 180 days prior to expiration of the permit.

3. Duty to Mitigate

The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit, which has a reasonable likelihood of adversely affecting human health or the environment.

4. Permit Actions

This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the permittee for permit modification, revocation and reissuance, or revocation, or a notification of planned changes or anticipated noncompliance, does not stay any permit conditions.

5. Property Rights

This permit does not convey any property rights of any sort or any exclusive privilege.

6. Signatory Requirements

All applications, reports, or information submitted to the Chief shall be signed and certified as required in Title 46, Series 2, Section 4.6 of the West Virginia Legislative Rules.

7. Transfers

This permit is not transferable to any person, except after notice to the Chief. The Chief may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary.

8. Duty to Provide Information

The permittee shall furnish to the Chief, within a reasonable specified time, any information which the Chief may request to determine whether cause exists for modifying, revoking and reissuing, suspending, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the Chief, upon request, copies of records required to be kept by this permit.

9. Other Information

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Chief, it shall promptly submit such facts or information.

10. Inspection and Entry

The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

a) Enter upon the permittee's premises in which an effluent source or activity is located, or where records must be kept under the conditions of this permit;
b) Have access to and copy at reasonable times, any records that must be kept under the conditions of this permit;
c) Inspect at reasonable times any facilities, equipment(including monitoring and control equipment), practices, or operations regulated or required under this permit; and
d) Samples or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the State Act, any substances or parameters at any locations.

11. Permit Modification

This permit may be modified, suspended, or revoked in whole or in part during its term in accordance with the provisions of Chapter 22-11-12 of the Code of West Virginia.

12. Water Quality

The effluent or effluents covered by this permit are to be of such quality so as not to cause violation of applicable water quality standards adopted by the Environmental Quality Board.

13. Outlet Markers

A permanent marker at the establishment shall be posted in accordance with Title 46, Series 3, Section 9 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11.

14. Liabilities

a) Any person who violates a permit condition implementing sections 301, 302, 306, 307, 308, 318, or 405 of the Clean Water Act is subject to a civil penalty not to exceed $10,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing sections 301, 302, 306, 307, or 308 of the Clean Water Act is subject to a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than 1 year, or both.
b) Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
c) Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
d) Nothing in C.14.a),b) and c) shall be construed to limit or prohibit any other authority the Chief may have under the State Water Pollution Control Act, Chapter 22, Article 11.

D. OPERATION AND MAINTENANCE

1. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of the permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. Unless otherwise required by Federal or State law, this provision requires the operation of back-up auxiliary facilities or similar systems which are installed by the permittee only when the operation is necessary to achieve compliance with the conditions of the permit. For domestic waste treatment facilities, waste treatment operators as classified by the WV Bureau of Public Health Regulations authorized under Chapter 16, Article 1, Public Health Laws, Code of West Virginia, will be required except that in circumstances where the domestic waste treatment facility is receiving any type of industrial waste, the Chief may require a more highly skilled operator.

2. Need to Halt or Reduce Activity Not a Defense

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

3. Bypass

a) Definitions
   (1) "Bypass" means the intentional diversion of waste streams from any portion of a treatment facility; and
   (2) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

b) Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provisions of D.3.c) and D.3.d) of this permit.

c) (1) If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten (10) days before the date of the bypass;
   (2) If the permittee does not know in advance of the need for bypass, notice shall be submitted as required in F.2.b) of this permit.

d) Prohibition of bypass
   (1) Bypass is permitted only under the following conditions, and the Chief may take enforcement action against a permittee for bypass, unless;
      (A) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
      (B) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup equipment should have been installed in the exercise of reasonable engineering judgement to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance; and
      (C) The permittee submitted notices as required under D.3.c) of this permit.
   (2) The Chief may approve an anticipated bypass, after considering its adverse effects, if the Chief determines that it will meet the three conditions listed in D.3.d)(1) of this permit.

4. Upset

a) Definition. "Upset" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based permit effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.

b) Effect of an upset. An upset constitutes an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitations if the requirements of D.4.c) are met. No determination made during administrative review of claims that noncompliance was caused by upset, and before an action for noncompliance, is final administrative action subject to judicial review.

c) Conditions necessary for a demonstration of upset. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:
   (1) An upset occurred and that the permittee can identify the cause(s) of the upset;
   (2) The permitted facility was at the time being properly operated;
   (3) The permittee submitted notice of the upset as required in F.2.b) of this permit.
   (4) The permittee complied with any remedial measures required under C.3. of this permit.

d) Burden of proof. In any enforcement proceeding the permittee seeking to establish the occurrence of an upset has the burden of proof.

5. Removed Substances

Where removed substances are not otherwise covered by the terms and conditions of this permit or other existing permit by the Chief, any solids, sludges, filter backwash or other pollutants (removed in the course of treatment or control of wastewaters) and which are intended for disposal within the State, shall be disposed of only in a manner and a site subject to the approval by the Chief. If such substances are intended for disposal outside the State or for reuse, i.e., as a material used for making another product, which in turn has another use, the permittee shall notify the Chief in writing of the proposed disposal or use of such substances, the identity of the prospective disposer or users, and the intended place of disposal or use, as appropriate.

E. MONITORING AND REPORTING

1. Representative Sampling

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

2. Reporting

a) Permittee shall submit each month according to the enclosed format, a Discharge Monitoring Report(DMR) indicating in terms of concentration, and/or quantities, the values of the constituents listed in Part A analytically determined to be in the plant effluent(s).

b) The required DMRs should be received no later than 20 days following the end of the reporting period and be addressed to:

Chief
Office of Water Resources
1201 Greenbrier Street
Charleston, WV 25311-1088
Attention: Municipal Branch

c) Enter reported average and maximum values under "Quantity" and "Concentration" in the units specified for each parameter, as appropriate.

d) Specify the number of analyzed samples that exceed the allowable permit conditions in the columns labeled "N.E"(i.e., number exceeding).

e) Specify frequency of analysis for each parameter as no. analyses/specified period (e.g. "3/month is equivalent to 3 analyses performed every calendar month.) if continuous, enter "Cont.". The frequency listed on format is the minimum required.

3. Test Procedures

Samples shall be taken, preserved and analyzed in accordance with the latest edition of 40 CFR Part 136, unless other test procedures have been specified elsewhere in this permit.

4. Recording of Results

For each measurement or sample taken pursuant to the permit, the permittee shall record the following information.

a) The date, exact place, and time of sampling or measurement;
b) The date(s) analyses were performed;
c) The individual(s) who performed the sampling or measurement;
d) The individual(s) who performed the analyses; if a commercial laboratory is used, the name and address of the laboratory;
e) The analytical techniques or methods used, and
f) The results of such analyses.

Information not required by the DMR form is not to be submitted to this agency, but is to be retained as required in E.6.

5. Additional Monitoring by Permittee

If the permittee monitors any pollutant at any monitoring point specified in this permit more frequently than required by this permit, using approved test procedures or others as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the Discharge Monitoring Report Form. Such increased frequency shall also be indicated.
Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified in the permit.

6. Records Retention

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for the permit, for a period of at least three(3) years from the data of the sample, measurement, report or application. This period may be extended by request of the Chief at any time.

7. Definitions

a) "Daily discharge" means the discharge of a pollutant measured during a calendar day or within any specified period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the day.

b) "Average monthly discharge limitation" means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.

c) "Maximum daily discharge limitation" means the highest allowable daily discharge.

d) "Composite Sample" is a combination of individual samples obtained at regular intervals over a time period. Either the volume of each individual sample is proportional to discharge flow rates or the sampling interval(for constant volume samples) is proportional to the flow rates over the time period used to produce the composite. The maximum time period between individual samples shall be two hours.

e) "Grab Sample" is an individual sample collected in less than 15 minutes.

f) "i-s" =immersion stabilization - a calibrated device is immersed in the effluent stream until the reading is stabilized.

g) The "daily average temperature" means the arithmetic average of temperature measurements made on an hourly basis, or the mean value plot of the record of a continuous automated temperature recording instrument, either during a calendar month, or during the operating month if flows are of shorter duration.

h) The "daily maximum temperature" means the highest arithmetic average of the temperatures observed for any two(2) consecutive hours during a 24-hour day, or during the operating day if flows are of shorter duration.

i) The "daily average fecal coliform" bacteria is the geometric average of all samples collected during the month.

j) "Measured Flow" means any method of liquid volume measurement, the accuracy of which has been previously demonstrated in engineering practice, or for which a relationship to absolute volume has been obtained.

k) "Estimate" means to be based on a technical evaluation of the sources contributing to the discharge including, but not limited to pump capabilities, water meters and batch discharge volumes.

l) "Noncontact cooling water" means the water that is contained in a leak-free system, i.e. no contact with any gas, liquid, or solid other than the container for transport; the water shall have no net poundage addition of any pollutant over intake water levels, exclusive of approved anti-fouling agents.

F. OTHER REPORTING

1. Reporting Spills and Accidental Discharges

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee for any responsibilities, liabilities, or penalties established pursuant to Title 46, Series 3, Section 2 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11.
Attached is a copy of the West Virginia Spill Alert System for use in complying with Title 46, Series 3, Section 2 of the rules as they pertain to the reporting of spills and accidental discharges.

2. Immediate Reporting

a) The permittee shall report any noncompliance which may endanger health or the environment immediately after becoming aware of the circumstances by using the Agency's designated spill alert telephone number. A written submission shall be provided within five(5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

b) The following shall also be reported immediately:
   (1) Any unanticipated bypass which exceeds any effluent limitation in the permit;
   (2) Any upset which exceeds any effluent limitation in the permit; and
   (3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Chief in the permit to be reported immediately. This list shall include any toxic pollutant or hazardous substance, or any pollutant specifically identified as the method to control a toxic pollutant or hazardous substance.

c) The Chief may waive the written report on a case-by-case basis if the oral report has been received in accordance with the above.

d) Compliance with the requirements of F.2. of this section, shall not relieve a person of compliance with Title 46, Series 3, Section 2 of the Board's rules.

3. Reporting Requirements

a) Planned changes. The permittee shall give notice to the Chief of any planned physical alterations or additions
to the permitted facility which may affect the nature or quantity of the discharge. Notice is required when:
   (1) The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in Section 13.7.b of Series 2, Title 46; or
   (2) The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. The notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements under F.2. of this section.

b) Anticipated noncompliance. The permittee shall give advance notice to the Chief of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

c) In addition to the above reporting requirements, all existing manufacturing, commercial, and silvicultural discharges must notify the Chief in writing as soon as they know or have reason to believe:
   (1) That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, or any toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels".
      (A) One hundred micrograms per liter (100 ug/l);
      (B) Two hundred micrograms per liter (200 ug/l) for acrolein and acrylonitrile; five hundred micrograms per liter(500 ug/l) for 2,4-dinitro phenol: and for 2-methyl 4,6-dinitrophenol; and one milligram per liter (1 mg/l) for antimony;
      (C) Five(5) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.9 of Series 2, Title 46;
      (D) The level established by the Chief in accordance with Section 6.3.g. of Series 2, Title 46;
   (2) That any activity has occurred or will occur which would result in any discharge (on a non-routine or infrequent basis) of a toxic which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels".
      (A) Five hundred micrograms per liter (500 ug/l);
      (B) One milligram per liter (1 mg/l) for antimony;
      (C) Ten(10) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.7. of Series 2, Title 46;
      (D) The level established by the Chief in accordance with Section 6.3.g. of Series 2, Title 46;
   (3) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not report in the permit application under Section 4.4.b.9 of Series 2, Title 46 and which will result in the discharge on a routine or frequent basis of that toxic pollutant at levels which exceed five times the detection limit for that pollutant under approved analytical procedure.
   (4) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Series 2, Title 46 and which will result in the discharge on a non-routine or infrequent basis of that toxic pollutant at levels which exceed ten times the detection limit for that pollutant under approved analytical procedure.

4. Other Noncompliance

The permittee shall report all instances of noncompliance not reported under the above paragraphs at the time monitoring reports are submitted. The reports shall contain the information listed in F.2.a).

G. OTHER REQUIREMENTS

1. The herein-described treatment works, structures, electrical and mechanical equipment shall be adequately protected from physical damage by the maximum expected one hundred(100) year flood level and operability be maintained during the twenty-five(25) year flood level.

2. The entire sewage treatment facility shall be adequately protected by fencing.

3. Continuous maintenance and operation of the listed sewage treatment facility shall be performed by or supervised by a certified operator possessing at least a class II certificate for Waste Water Treatment Plant Operators, issued by the State of West Virginia.

4. An instantaneous flow from the sewage disposal system shall not exceed the peak design flow at any given time.

5. The arithmetic mean of values for effluent samples collected in a period of seven(7) consecutive days shall not exceed 15.0 mg/l for BOD5, 45.0 mg/l for TSS and 3.0 mg/l for NH_3.N during the period May 1 through October 31 and 30.0 mg/l for BOD5, 45.0 mg/l for TSS and 6.0 mg/l for NH_3.N during the period November 1 through April 30.

6. The arithmetic mean of the effluent values of the BOD5 and TSS discharged during a period of 30 consecutive days shall not exceed 15 percent of the respective arithmetic mean of the influent values for these parameters during the same time period except as specifically authorized by the permitting authority.

7. The permittee shall not accept any new non-domestic discharges without first obtaining approval from the Chief of the Office of Water Resources as provided in Series 2, Section 14, Title 46 of the Legislative Rules.

8. If any existing non-domestic discharge causes, or is suspected of causing, interference or pass through (as defined by 40 CFR 403.3) or otherwise violates any provision of 40 CFR 403, the permittee shall notify the Chief of such violation or suspected violation.

9. If any existing non-domestic discharge is identified as being subject to a Categorical Pretreatment Standard under 40 CFR Chapter 1, Subchapter N, and the discharge is not regulated by this permit, the permittee shall notify the Chief of such identification.

10. The permittee has submitted an application, dated the 30th day of August 1994, to incorporate the statutory requirements relative to their sludge management program. This application is currently undergoing the completeness review. Whereupon, the review is concluded and approval is granted by the Chief, the permittee shall have fulfilled the requirements of Section D.5 of this Permit with respect to the sludge generated by the wastewater treatment facilities permitted herein. Said approval shall be afforded in accordance with the provisions of 40 CFR Part 503 and Title 47, Series 38D of the Legislative Rules, accordingly.

The herein-described activity is to be extended, modified, added to made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit; with the plans and specifications submitted with Permit Application No. **WV0045136** , dated the **9th** day of **November, 1993;** with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the Environmental Quality Board and the director of the Division of Environmental Protection.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. **WV0045136,** dated the **9th** day of **November,** 1993, and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and for the invocation of all the enforcement procedures set forth in Article 11, Chapter 22 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Article 11, Chapter 22 of the Code of West Virginia and is transferable under the terms of Section 11 of said article.

By: Maria A. Scott
Chief

MAS/bgb

WRD 2A-82
Summer Limitations
(May 1 through October 31)

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME Town of Beverly
LOCATION OF FACILITY Beverly, Randolph County
PERMIT NUMBER WV0045136 OUTLET NO. 001
WASTELOAD FOR MONTH OF _____ 19____

COMMERCIAL LABORATORY NAME _____
COMMERCIAL LABORATORY ADDRESS _____
INDIVIDUAL PERFORMING ANALYSES _____

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg.Monthly	Max.Daily	Units	N.E.	Minimum	Avg.Monthly	Max.Daily	Units	N.E.		
Flow, in Conduit or thru trmt. plant50050	Reported	***	***	***	***					MGD			
	Permit Limitation	***	***	***	***		N/A	0.34	N/A			Continuous	Measured
BOD, 5-day (20 Deg.C) 00310	Reported				lbs/ day					mg/l			
	Permit Limitation	N/A	56.7	113.4			N/A	20.0	40.0			1/Month	8 hour composite
Solids, Total Suspended 00530	Reported				lbs/ day					mg/l			
	Permit Limitation	N/A	85.1	170.1			N/A	30.0	60.0			1/Month	8 hour composite
Nitrogen, Total Kjeldahl(TKN) 00625	Reported				lbs/ day					mg/l			
	Permit Limitation	N/A	28.4	56.7			N/A	10.0	20.0			1/Month	8 hour composite
pH 00400	Reported	***	***	***	***					Std. Units			
	Permit Limitation	***	***	***	***		6.0	N/A	9.0			1/Month	Grab
Coliform, Fecal General 74055	Reported	MF	---	MPN						Count Per 100ml			
	Permit Limitation	Circle	Method	Used			N/A	200	400			1/Month	Grab
Oxygen, Dissolved 00300	Reported	***	***	***	***					mg/l			
	Permit Limitation	***	***	***	***		6.0	N/A	N/A			1/Month	Grab

Name of Principal Executive Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my directions or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82
Summer Limitations
(May 1 through October 31)

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME Town of Beverly
LOCATION OF FACILITY Beverly, Randolph County
PERMIT NUMBER WV0045136 OUTLET NO. 001
WASTELOAD FOR MONTH OF 19

COMMERCIAL LABORATORY NAME
COMMERCIAL LABORATORY ADDRESS
INDIVIDUAL PERFORMING ANALYSES

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg.Monthly	Max.Daily	Units	N.E.	Minimum	Avg.Monthly	Max.Daily	Units	N.E.		
Chlorine, Total Residual (TRC) 50060	Reported	***	*****	*****			****	******		ug/l			
	Permit Limitation	***	*****	*****			****	******	41.24			1/Month	Grab
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												
	Reported												
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	Reported												
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Date Completed

Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82
Winter Limitations
(November 1 through April 30)

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME Town of Beverly
LOCATION OF FACILITY Beverly, Randolph County
PERMIT NUMBER WV0045136 OUTLET NO. 001
WASTELOAD FOR MONTH OF _____ 19____

COMMERCIAL LABORATORY NAME _____
COMMERCIAL LABORATORY ADDRESS _____
INDIVIDUAL PERFORMING ANALYSES _____

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg.Monthly	Max.Daily	Units	N.E.	Minimum	Avg.Monthly	Max.Daily	Units	N.E.		
Flow, in Conduit or thru trmt. plant50050	Reported	***	***	***	***					MGD			
	Permit Limitation	***	***	***	***		N/A	0.34	N/A			Continuous	Measured
BOD, 5-day (20 Deg.C) 00310	Reported				lbs/ day					mg/l			
	Permit Limitation	N/A	85.1	170.1			N/A	30.0	60.0			1/Month	8 hour composite
Solids, Total Suspended 00530	Reported				lbs/ day					mg/l			
	Permit Limitation	N/A	85.1	170.1			N/A	30.0	60.0			1/Month	8 hour composite
Nitrogen, Total Kjeldahl (TKN) 00610	Reported				lbs/ day					mg/l			
	Permit Limitation	N/A	51.0	102.1			N/A	18.0	36.0			1/Month	8 hour composite
pH 00400	Reported	***	***	***	***					Std. Units			
	Permit Limitation	***	***	***	***		6.0	N/A	9.0			1/Month	Grab
Coliform, Fecal General 74055	Reported	MF	---	MPN						Count Per 100ml			
	Permit Limitation	Circle	Method	Used			N/A	200	400			1/Month	Grab
Oxygen, Dissolved 00300	Reported	***	***	***	***					mg/l			
	Permit Limitation	***	***	***	***		6.0	N/A	N/A			1/Month	Grab

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Winter Limitations
(November 1 through April 30)

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME Town of Beverly
LOCATION OF FACILITY Beverly, Randolph County
PERMIT NUMBER WV0045136 OUTLET NO. 001
WASTELOAD FOR MONTH OF 19

COMMERCIAL LABORATORY NAME
COMMERCIAL LABORATORY ADDRESS
INDIVIDUAL PERFORMING ANALYSES

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg.Monthly	Max.Daily	Units	N.E.	Minimum	Avg.Monthly	Max.Daily	Units	N.E.		
Chlorine, Total Residual (TRC) 50060	Reported	***	*****	*****			****	******		ug/l			
	Permit Limitation	***	*****	*****			****	******	41.24			1/Month	Grab
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												

Name of Principal Executive Officer

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Date Completed

Signature of Principal Executive Officer or Authorized Agent

RIGHT OF APPEAL

Notice is hereby given of your right to appeal the terms and conditions of this permit which you are aggrieved by to the Environmental Quality Board by filing a NOTICE OF APPEAL on the form prescribed by the Board for this purpose, with the Board, in accordance with the provisions of Chapter 22, Article 11, Section 21 of the Code of West Virginia within thirty(30) days after the date of receipt of the above permit.

DEPARTMENT OF COMMERCE, LABOR & ENVIRONMENTAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION
1201 Greenbrier Street
Charleston, WV 25311-1088

Gaston Caperton
Governor

John M. Ranson
Cabinet Secretary

David C. Callaghan
Director

Laidley Eli McCoy
Deputy Director

NOTICE TO PERMITTEES

The 1989 regular session of the West Virginia legislature revised the Water Pollution Control Act, Chapter 20, Article 5A of the West Virginia Code by adding Section 6a (Now, Chapter 27, Article 11, Section 10. This section of the Code requires all holders of a State water pollution control permit or a national pollutant discharge elimination system permit to be assessed an annual permit fee, based upon regulations promulgated by the Director of the Division of Natural Resources. The Director promulgated regulations to this effect and the current regulations have an effective date of July 1, 1993. The regulations establish an annual permit fee based upon the relative potential to degrade the waters of the State which, in most instances, relate to volume of discharge. However, for sewage facilities, the annual permit fee is based upon the number of customers served by the facility. You may contact the Secretary of State's Office, State Capitol Building, Charleston, West Virginia 25305, to obtain a copy of the regulations. The reference is Title 47, Legislative Rules of Department of Natural Resources, Series 26 Water Pollution Control Permit Fee Schedule.

Based upon the volume of discharge for which your facility is currently permitted or operating at, the number of customers served by your facility or for the category you fall within, pursuant to Section 7 of Title 47, Series 26, your annual permit fee is $250.00. This fee is due no later than the anniversary date of permit issuance in each year of the term of the permit or in the case of coverage under a general permit, the fee is due no later than the anniversary date of your coverage under the general permit. You will be invoiced by this agency at the appropriate time for the fee. Failure to submit the annual fee within one hundred and eighty(180) days of the due date will render your permit void.

(August 1996)

GRANT AGREEMENT

This Grant Agreement entered into between the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") and the Town of Beverly (the "Governmental Agency").

RECITALS

WHEREAS, the Council has authorized the Authority to make a grant to the Governmental Agency in the amount not to exceed $125,000 (the "Grant") for the purpose of the acquisition and construction/design/planning of a project for which a preliminary application has been submitted and approved by the Council;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such terms and conditions as are hereinafter set forth for the purpose of constructing the project described in Exhibit A attached hereto and incorporated herein by reference (the "Project");

WHEREAS, this Agreement sets forth the Council, the Authority and the Governmental Agency's understanding and agreements with regard to the Grant.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Authority and the Governmental Agency hereby agree as follows:

TERMS

1. Prior to the distribution of the Grant, the Governmental Agency shall provide the Authority with a Project budget and an anticipated monthly draw schedule reflecting the receipt dates and amounts from other funding sources.

2. The Authority shall advance the Council's share of the Project costs from the Grant from time to time upon receipt of a requisition evidencing the costs incurred, which requisition must be satisfactory to the Authority and the Council.

3. The monthly requisition will also set forth (i) the amounts requested for that requisition period from all other funding agencies, and (ii) the amounts advanced for the Project to date from all other funding agencies.

4. The Governmental Agency will use the proceeds of the Grant only for the purposes specifically set forth in Exhibit A.

5. The Governmental Agency shall comply with and is bound by the Council's rules set forth as Title 167, Series 1 and more particularly Section 5.9 with respect to the sale of the Project.

6. The Governmental Agency acknowledges that the Grant may be reduced, from time to time, to reflect actual Project costs and availability of other funding.

7. This Agreement shall be governed by the laws of the State of West Virginia.

IN WITNESS WHEREOF, the parties hereto have caused this Grant Agreement to be executed by the respective duly authorized officers as of the date executed below by the Authority.

TOWN OF BEVERLY

By: Donald C. Goldizen
Its: Mayor

Date: 8-28-97

SEAL

ATTEST

Barbara S. Smith
Its: Recorder

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

By: Daniel B. Yorkosky
Director

Date: 8-28-97

SEAL

ATTEST

Barbara B Meadows
Secretary - Treasurer

EXHIBIT A

The project consists of the construction of approximately 9400 LF of 8" and approximately 1453 LF of 6" gravity sewer line, road and creek crossings, 56 manholes and other necessary appurtenances to provide service to 19 customers in the Hazelwood area of the Town of Beverly, Randolph County, at the total estimated cost of $493,258.

STATE OF WEST VIRGINIA
OFFICE OF THE GOVERNOR
CHARLESTON 25305

CECIL H. UNDERWOOD
GOVERNOR

July 23, 1997

The Honorable Jacqueline R. Corley
Mayor
Town of Beverly
Drawer 279
Beverly, West Virginia 26253-0279

Dear Mayor Corley:

Thank you for your application to the Governor's Community Partnership Grant program.

I am pleased to approve your request in the amount of $50,000. These funds will enable you to extend sewer service to the Hazelwood area.

The West Virginia Development Office, Community Development staff, will contact you to complete the necessary contracts in order to proceed with your project.

It is with pleasure that I am able to assist with these improvements for the citizens and businesses in the Beverly area.

Very sincerely,

Cecil H. Underwood

CHU:tha

RECEIVED JUL 24 1997

Citizens
National
Bank

PO Box 1519, Elkins, WV 26241-1519
Tel. (304) 636-4095

July 10, 1997

Town of Beverly Corporation
Drawer 279
Beverly WV 26253

Attention: Donald Goldizen, Mayor

RE: Hazelwood/UPS Project

Dear Mayor Goldizen:

Please be advised this bank has established a line of credit for the Shimbo's in the amount of $80,000.00 for the specific purpose to contribute to the above referenced project which extends the Town of Beverly's wastewater system to the United Parcel Service facility.

As always, if any additional information should be needed, please feel free to contact myself or any of our staff members.

Sincerely,

Robert J. Schoonover
President

RJS/lmh

RECEIVED JUL 11 1997