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CITY OF BRIDGEPORT

Sewer Refunding Revenue Bonds, Amended Series 1998

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CITY OF BRIDGEPORT
SEWER REFUNDING REVENUE BONDS, SERIES 1998

BOND ORDINANCE

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CITY OF BRIMEPORT

ORDINANCE AUTHORIZING THE REFUNDING AND REDEMPTION OF THE SEWER REVENUE BONDS, SERIES A AND SERIES B, DATED APRIL 1, 1977, OF THE CITY OF BRIDGEPORT; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 1998, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$920,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER MONEYS AVAILABLE THEREFOR, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ENACTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

WHEREAS, the City of Bridgeport (the "Issuer") presently owns and operates through its sanitary board (the "Sanitary Board") a municipal sewage treatment and collection system (the "System") and has heretofore financed the acquisition and construction of the System and certain additions, betterments and improvements thereto by issuance of its bonds, of which there are presently outstanding the (i) Sewer Revenue Bonds, Series A and Series B, dated April 1, 1977, issued in the original aggregate principal amount of \$1,445,000, of which \$1,065,000 principal amount is currently outstanding (the "Prior Bonds"); (ii) Sewer Revenue Bonds, Series 1994 (West Virginia SRF Program), dated December 9, 1994, issued in the original aggregate principal amount of \$421,497 (the "Series 1994 Bonds"); and (iii) Sewer Revenue Bonds, Series 1995 (West Virginia SRF Program), dated June 29, 1995, issued in the original aggregate principal amount of \$5,000,000 (the "Series 1995 Bonds").

WHEREAS, the Prior Bonds were issued pursuant to an ordinance of the Issuer enacted by the Council of the Issuer on November 14, 1978 (the "Prior Ordinance");

WHEREAS, under the provisions of Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act"), the Issuer is authorized and empowered to issue refunding revenue bonds to refund, pay or discharge all or any part of the outstanding Prior Bonds;

WHEREAS, the Issuer has determined and hereby determines that it is in the best interest of the Issuer and its residents to refund the Prior Bonds in order to effect the release, termination or modification of liens, restrictions, conditions or limitations imposed in connection with the Prior Bonds, specifically, a reduction of the debt service coverage requirements to permit issuance of additional bonds without having to meet a high debt service coverage;

WHEREAS, the Issuer has determined and hereby determines that it is in the best interest of the Issuer and its residents to refund the Prior Bonds in the manner set forth herein with proceeds of a series of **bonds** to be **designated the "City of Bridgeport Sewer Refunding Revenue Bonds, Series 1998"** (the "Series 1998 **Bonds**"), in the **aggregate principal amount** of not more than \$920,000, together with other moneys **available** therefor;

WHEREAS, the Issuer now desires to authorize the refunding of the Prior Bonds as aforesaid, and to **provide** for the financing thereof by the issuance of the Series 1998 Bonds as hereinafter **provided**;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BRIDGEPORT HEREBY ORDAINS:

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

Section 1.01. Definitions. All capitalized terms used in this Ordinance and not otherwise defined in the recitals hereto shall have the meanings specified below, unless the context expressly requires otherwise:

"Act" means Chapter 16, Article 13 of the West Virginia Code of 1931, as amended and in effect on the date of enactment of this Ordinance.

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

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

"Bond Counsel" means any law firm having a national reputation in the field of municipal law whose opinions are generally accepted by **purchasers** of municipal Bonds, **appointed** by the Issuer or the **Board**, and shall initially mean Steptoe & **Johnson, Clarksburg**, West Virginia.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term means any person who shall be the registered owner **of any outstanding Bond**.

"**Bond Legislation**" or "**Ordinance**" means **this Bond Ordinance and all ordinances, orders and resolutions supplemented hereto or amendatory hereof**.

"**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**.

"**Bonds**" means, collectively, the **Series 1998 Bonds**, the **Series 1995 Bonds** and the **Series 1994 Bonds** and any additional parity **Bonds** hereafter issued within the terms, restrictions and conditions contained herein.

"**Business Day**" means any day other than a **Saturday, Sunday or a day on which national banking associations or West Virginia banking corporations are authorized by law to remain closed**.

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 1998 Bonds, in substantially the form set forth in EXHIBIT A - BOND FORM hereto.

"City Manager" means the City **Manager of the Issuer**.

"Closing Date" means the date upon which there is an exchange of the Series 1998 Bonds for the proceeds representing the original purchase price thereof.

"Code" means the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations thereunder.

"Consulting Engineers" means any qualified engineer or firm of engineers that shall at any time now or hereafter be retained by the Issuer as Consulting Engineers for the System, or portion thereof.

"Costs of Issuance Fund" means the Costs of Issuance Fund created by Section 4.01 hereof.

"Council" or "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.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of FDIC.

"Escrow Agent" means the Escrow Agent under the Escrow Agreement, which shall be the Bond Commission.

"Escrow Agreement" means the agreement to be entered into between the Issuer and the Bond Commission, as Escrow Agent, providing for the defeasance and ultimate payment of the Prior Bonds, the deposit therein of proceeds of the Series 1998 Bonds, the disposition of moneys in the various funds and accounts under the Prior Ordinance and other matters in connection therewith, the form of which shall be approved by the Supplemental Resolution.

"Escrow Fund" means the Escrow Fund established pursuant to the Escrow Agreement.

"Event of Default" means any occurrence or event specified in Section 7.01.

"FDIC" means the Federal Deposit Insurance Corporation or 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.

"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.

"Gross Revenues" means all rates, rents, fees, **charges** or other income received by the Issuer, or accrued to the Issuer, or any department, board, agency or instrumentality thereof in control of the management **and** operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with generally accepted accounting principles.

"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 purpose except keeping the accounts of the System in the normal operations 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 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, 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" or "City" means the City of Bridgeport, a municipal corporation and political subdivision of the State of West Virginia, in Harrison County, West Virginia, and, unless the context clearly indicates otherwise, includes the Council, the **Board and** any successor **thereto**.

"Mayor" means the Mayor of the Issuer.

"Net **Proceeds**" means the face amount of the Series **1998 Bonds**, plus **accrued** interest **and premium**, if *any*, less **original issue** discount, if any. 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 1998 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 1998 Bonds and is not acquired in order to carry out the **governmental purpose** of the Series **1998** Bonds.

"Operating Expenses" means the reasonable current expenses, paid or accrued, of operation, repair and maintenance of the System and including such administrative and supervisory expenses of the Issuer relating and chargeable solely to the operation and maintenance of the System, and the accumulation of appropriate reserves for charges not annually recurrent but **which** are such as **may reasonably be expected** to be incurred, and **such other reasonable operating** costs and expenses as should normally and **regularly** be included under **generally accepted** accounting **principles, and** a **sum** not to exceed **\$5,500** as working capital may be retained in the Revenue Fund. "Operating Expenses" shall not include any allowance for **depreciation** or renewals or **replacements** of **capital** assets of the System.

"1994 Ordinance" means, collectively, the ordinance of the Issuer enacted March 14, 1994, as supplemented **by** the **supplemental** resolution of the Issuer **adopted** November 28, 1994, authorizing the Series 1994 Bonds.

"1995 Ordinance" means, collectively, the ordinance of the Issuer enacted June 12, 1995, as **supplemented by** the supplemental resolution of the Issuer **adopted** June 12, 1995.

"**Outstanding,**" when used with reference to Bonds or Prior **Bonds** and as of **any** particular date, describes all **Bonds** or **Prior Bonds** theretofore and thereupon being issued and delivered except (a) any **Bond** or **Prior Bond** canceled by the registrar for such **Bond** or **Prior Bond** at or prior to said date; (b) any **Bond** or **Prior Bond** for the payment of which moneys, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this **Ordinance** and set aside for such payment (whether upon or prior to maturity); (c) any **Bond** deemed to have been paid as provided by **Section 9.01**; and (d) with respect to determining the number or percentage of **Bondholders** or **Bonds** for the purpose of consents, notices and the like, any **Bond** registered to the Issuer.

"**Paying Agent**" means the **Bond Commission** or such other entity to be designated in the **Supplemental Resolution** as **Paying Agent** for the Series 1998 Bonds, and any successor and assigns thereto.

"**Prior Bonds**" means the **Sewer Revenue Bonds, Series A and Series B, dated April 1, 1977, issued in the original aggregate principal amount of \$1,445,000.**

"**Prior Ordinance**" means the ordinance of the Issuer enacted **November 14, 1978, authorizing the Prior Bonds.**

"Private Business Use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit; provided that use as a member of the general public shall not be taken into account.

"Purchaser" means the purchaser or purchasers of the Series 1998 Bonds directly from the Issuer, to be designated in the Supplemental Resolution.

"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;**

(t) **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 Investment Management Board 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.

"Registrar" means the **bank** to be designated in the **Supplemental Resolution as the Registrar for the Series 1998 Bonds, and any successor and assigns thereto.**

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

"Renewal and Replacement Fund" means the **Renewal and Replacement Fund** previously created and continued hereby.

"Reserve Accounts" means, **collectively, the respective reserve accounts established for the Series 1995 Bonds and the Series 1994 Bonds.**

"Revenue Fund" means the Revenue Fund previously created and continued hereby.

"Sanitary Board" means the Sanitary Board of the Issuer, or any successor thereto.

"Series 1994 Bonds" means the Issuer's Sewer Revenue Bonds, Series 1994 (West Virginia SRF Program), dated December 9, 1994, issued in the original **aggregate** principal amount of \$421,497.

"Series 1995 Bonds" means the Issuer's Sewer Revenue Bonds, Series 1995 (West Virginia SRF Program), dated June 29, 1995, issued in the **original aggregate principal** amount of \$5,000,000.

"Series **1998** Bonds" means the Sewer **Refunding** Revenue **Bonds**, Series 1998, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 1998 Bonds **Sinking Fund**" means the Series **1998 Bonds Sinking Fund** created by Section 4.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds established for the Series 1998 Bonds, the Series 1995 Bonds and the Series 1994 Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution to be adopted by the Issuer following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates and other terms of the Series 1998 Bonds and authorizing the sale of the Series 1998 Bonds to the Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by this Ordinance to be set aside and held for the payment of or security for the Series 1998 Bonds, the Series 1995 Bonds or the Series 1994 Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund and any Reserve Accounts.

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

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations and vice versa; and words importing the masculine gender shall include the feminine and neuter genders and vice versa.

Additional terms and **phrases** are defined in this Ordinance as **they** are used. Accounting terms not specifically defined herein shall be given meaning in accordance with generally accepted accounting principles.

The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Ordinance; **and** the term "hereafter" means after the date of enactment of this Ordinance.

Articles, sections and subsections mentioned by number only **are** the respective articles, sections and subsections of this Ordinance so numbered.

Section 1.02. Authority **fa** this Ordinance. This Ordinance is enacted pursuant to the provisions of the Act and other **applicable** provisions of law.

Section 1.03. Findings. **The Council hereby finds and determines as follows:**

A. The Issuer is a municipal corporation and political subdivision of the State of West Virginia, in Harrison County of said State.

B. The Issuer now owns and operates, through the Sanitary Board, the System, the acquisition and construction of which has been financed in part by the proceeds of the Prior Bonds, the Series 1995 Bonds and the Series 1994 Bonds.

C. The Issuer derives Net Revenues from the System which are pledged for payment of the Prior Bonds, the Series 1995 Bonds and the Series 1994 Bonds. Except for such pledge, the Net Revenues are not pledged or encumbered in any manner.

D. It is deemed necessary for the Issuer to issue the Series 1998 Bonds to effect the release, termination or modification of liens, restrictions, conditions or limitations imposed in connection with the Prior Bonds, specifically, a reduction of the debt service coverage requirements to permit issuance of additional bonds without having to meet a high debt service coverage.

E. The estimated revenues to be derived in each year from the operation of the System after the refunding and defeasance of the Prior Bonds, will be sufficient to pay all Operating Expenses and the principal of and interest on the Series 1998 Bonds, the Series 1995 Bonds and the Series 1994 Bonds and to make payments into all funds and accounts and other payments provided for herein.

F. It is deemed necessary for the Issuer to issue the Series 1998 Bonds in an aggregate principal amount of not more than \$920,000, to refund the Prior Bonds and to pay the costs of issuance and related costs.

G. The Series 1998 Bonds shall be issued on a parity with the Series 1995 Bonds **and** the Series 1994 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 set forth in the Series 1995 Bonds, the Series 1994 Bonds, the 1995 **Ordinance and** the **1994** Ordinance 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 1998 Bonds, the Issuer will obtain the written consent of the Holders of the Series 1995 Bonds and the Series 1994 Bonds to the issuance of the Series 1998 Bonds on a parity with the Series 1995 **Bonds and the** Series **1994** Bonds. Other than the Series **1995** Bonds **and the** Series 1994 Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

H. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the System; 95% or more of the Net Proceeds of the Series 1998 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 **1998 Bonds** are to be issued.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Series 1998 Bonds by those who shall own or hold the same from time to time, this Ordinance 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 of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLEU

AUTHORIZATION OF REFUNDING AND REDEMPTION OF PRIOR BONDS

Section 2.01. Authorization Of Refunding and Redemption Of Prior Bonds.

All Prior Bonds Outstanding as of the date of issuance of the Series 1998 Bonds are hereby ordered to be refunded pursuant to the terms of the Escrow Agreement, and the pledge of Net Revenues in favor of the Holders of the Prior Bonds imposed by the Prior Ordinance, the moneys in the funds and accounts created by the Prior Ordinance and any other funds pledged by the Prior Ordinance thereto are hereby ordered terminated, discharged and released upon the payment into the Escrow Fund from the proceeds of the Series 1998 Bonds, together with other moneys available therefor, of the following: (a) if required by the Escrow Agreement, an amount equal to the fiscal and paying agent charges and the Escrow Agent charges to become due and payable in connection with the Prior Bonds and (b) an amount which will be simultaneously invested in Government Obligations bearing interest and having maturities sufficient, together with certain cash which may also be deposited, to provide for the payment of the principal of, redemption premium, and interest on the Prior Bonds on the first date upon which the entire aggregate amount of the Prior Bonds shall be redeemed, as set forth in the Escrow Agreement. Contemporaneously with the deposit of the proceeds of the Series 1998 Bonds and other moneys into the Escrow Fund, the amounts on deposit in the sinking fund, including the reserve account therein, and all other funds and accounts created and maintained on behalf of the Prior Bonds shall be released from the lien created by the Prior Ordinance and deposited in the Escrow Fund or such other fund or account as shall be set forth in the Escrow Agreement, this Ordinance or the Supplemental Resolution and invested as provided therein.

ARTICLE III

THE BONDS

Section 3.01. Authorization of & gds. For the purposes of refunding and redeeming all of the Outstanding Prior Bonds of the Issuer and paying costs of issuance hereof and related costs, there **shall be and hereby are authorized** to be **issued** the Sewer Refunding Revenue Bonds, Series 1998, of the Issuer, in an **aggregate** principal amount of not more than \$920,000. The Series **1998** Bonds shall be issued in fully registered form; shall be dated such date; shall be in such **aggregate** principal amount not to exceed \$920,000; shall bear interest at such rate or rates, not exceeding the then legally permissible rate; shall be **payable** on such dates; **shall mature on such dates and in such amounts; shall be redeemable**, in whole or in part; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.02. Execution & Ads. The Series 1998 Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case an one or more of the officers who shall have signed or sealed the Series 1998 Bonds shall cease to be such officer of the Issuer before the Series 1998 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 1998 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 3.03. Authentication and Registration. No Series 1998 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 EXHIBIT A - BOND FORM attached hereto and incorporated herein by reference with respect to the Series 1998 Bonds, shall have been manually executed by the 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 Ordinance. The Certificate of Authentication and Registration on any Series 1998 Bond shall be deemed to have been executed by the Registrar if manually signed by an authorized officer of the 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 3.04. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 1998 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 1998 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 1998 Bonds remain outstanding, the Issuer, through the Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds. The registered Series 1998 Bonds shall be transferable only upon the books of the 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 Registrar duly executed by **the registered owner or his duly authorized attorney**.

In all cases in which the privilege of exchanging Series 1998 Bonds or **transferring the registered** Series 1998 Bonds **are** exercised, all Series 1998 Bonds shall be delivered in accordance with the provisions of this Ordinance. All Series 1998 Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Registrar. For every such exchange or transfer of Series 1998 Bonds, the 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 Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Registrar shall not be obliged to make any such exchange or transfer of Series 1998 Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 1998 Bonds or, in the case of **any proposed** redemption of Series **1998 Bonds**, next **preceding** the date of the selection of Bonds to be redeemed, and ending on such interest payment date or **redemption date**.

Section 3.05. ~~Ronda~~ ~~Mutilated,~~ ~~Destroyssl,~~ ~~Stoles~~ *or Lat.* In case any Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the 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 Registrar may incur. All Bonds so surrendered shall be cancelled by the 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 106. Bond Interest The Series 1998 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 1998 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1998 Bonds or the interest thereon.

Section 3.07. Security of the Bonds The payment of the debt service of the Series 1998 Bonds shall be secured by a first lien on the Net Revenues derived from the operation of the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Series 1995 Bonds and the Series 1994 Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on the Bonds and to make all other payments hereinafter set forth, are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due.

Section 3.08. Delivery of Bonds The Issuer shall execute and deliver the Series 1998 Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 1998 Bonds to the Purchaser upon receipt of the documents set forth below:

- (A) A list of the names in which the Series 1998 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;
- (B) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 1998 Bonds to the Purchaser;
- (C) Certified copies of this Ordinance and the Supplemental Resolution;
- (D) The unqualified approving opinion of Bond Counsel on the Series 1998 Bonds; and
- (E) A copy of the Escrow Agreement and such other documents, certifications and verifications as the Purchaser may reasonably require.

Section 3.09. Form of Bonds The text of the Series 1998 Bonds shall be in substantially the form set forth in EXHIBIT A - BOND FORM attached hereto and incorporated herein by reference, with such omissions, insertions and variations as may be authorized or permitted hereby, or by any Supplemental Resolution or supplemental ordinance adopted prior to the issuance thereof.

Section 3.10. Disposition **a** Proceeds of Bonds. From the moneys received from the sale of the Series **1998 Bonds**, the Issuer shall apply the **proceeds thereof** as follows:

A. An amount of the proceeds of the Series 1998 Bond which, together with other moneys or securities deposited therein and the earnings thereon, shall be sufficient to accomplish the refunding and defeasance of the Prior Bonds (which amount shall be set forth in the Escrow Agreement) shall be deposited in the Escrow Fund.

B. The balance of the proceeds of the Series 1998 Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 1998 Bonds and any costs of refunding the Prior Bonds at the written direction of the Issuer. Moneys not to be applied immediately to pay such costs of issuance and refunding may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose, such unapplied proceeds shall be used by the Issuer to prepay or redeem the Series 1998 Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such moneys until so applied in favor of the Holders of the Series 1998 Bonds from which such proceeds are derived. All costs of issuance shall be paid within 60 days of the Closing Date.

Section 3.11. Designation **a** Bonds as 'Ithia][at%i Tax-Exempt Obligations". The Issuer hereby designates the Series 1998 Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Series 1998 Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 1998 Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 1998.

ARTICLEW

FUNDS AND ACCOUNTS; SYSTEM REVENUES; FLOW OF FUNDS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (or continued if previously created), and shall be held by, the Depository Bank, separate and apart from all other funds and accounts of the Depository Bank or the Issuer and from each other:

- (1) Revenue Fund (previously created);
- (2) **Renewal and Replacement Fund (previously created); and**
- (3) Costs of Issuance Fund.

Section 4.02. Establishment of Funds and Accounts with Bond Commission. The following special funds or accounts are hereby created with (or continued if previously created), and shall be held by, the Bond Commission, separate and apart from all other funds and accounts of the Bond Commission or the Issuer and from each other:

- (1) **Series 1994 Bonds Sinking Fund (previously created);**
- (2) Within the Series 1994 Bonds Sinking Fund, the Series 1994 Bonds Reserve Account (previously created);
- (3) **Series 1995 Bonds Sinking Fund (previously created);**
- (4) Within the Series 1995 **Bonds Sinking Fund, the Series 1995 Bonds Reserve Account (previously created); and**
- (5) **Series 1998 Bonds Sinking Fund.**

Section 4.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this 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 herein provided. All revenues at any time 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, pay from the moneys in the Revenue Fund, all current Operating Expenses of the System, and retain the sum permitted as working capital.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Series 1994 Bonds Sinking Fund, the amounts required by the 1994 Ordinance to pay the interest on and principal of the Series 1994 Bonds; (ii) for deposit in the Series 1995 Bonds Sinking Fund, the amounts required by the 1995 Ordinance to **pay** the interest on and principal of the Series 1995 Bonds; (iii) commencing 6 months prior to the first date of payment of interest on the Series 1998 Bonds, for deposit in the Series 1998 Bonds Sinking Fund, **a** sum equal to 116th of the amount of interest which will become due on the Series 1998 Bonds on the next ensuing semiannual interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1998 Bonds Sinking Fund and the next ensuing semiannual interest **payment date** is less **than 6** months, **then such** monthly payments shall be increased proportionately to **provide,** 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; **and** (iv) commencing 6 months prior to the first date of payment of principal on the Series 1998 **Bonds,** for deposit in the Series 1998 Bonds Sinking Fund, a sum equal to 116th of the amount of principal which will mature and become due on the Series 1998 Bonds on the next ensuing semiannual principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1998 Bonds Sinking Fund **and the** next ensuing **semiannual principal payment date** is less **than 6** months, **then such** monthly payments shall be increased **proportionately** to provide, 1 month prior to the next ensuing semiannual 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 remit to the Bond Commission (1) for deposit in the Series 1994 Bonds Reserve Account the amount required by the 1994 Ordinance; and (ii) for deposit in the Series 1995 Bonds Reserve Account the amount required by the 1995 Ordinance.

(4) The Issuer shall next, each month, transfer from the Revenue Fund to the Renewal and Replacement Fund, a sum equal to 2 112% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. Moneys in the Renewal and Replacement Fund shall be used first to make up any deficiencies in the Sinking Funds for payment of principal of and interest on the Bonds as the same mature, and next to restore to the Reserve Accounts any sum or sums transferred therefrom to the Sinking Funds. Thereafter, and provided that payments into the Sinking Funds and the Reserve

Accounts are current and in accordance with the foregoing provisions, moneys in the Renewal and Replacement Fund may be withdrawn by the Issuer and used for any replacements, repairs, additions, extensions and improvements to the System.

Moneys in the Series 1998 Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 1998 Bonds as the same shall become due.

All investment earnings on moneys in the Series 1998 Bonds Sinking Fund shall be returned, not less than once each year, by the Bond Commission to the Issuer, and such amounts shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment due on the Series 1998 Bonds and then to the next ensuing principal payment due thereon.

The Issuer shall not be required to make any further payments into the Series 1998 Bonds Sinking Fund when the aggregate amount of funds in the Series 1998 Bonds Sinking Fund is equal to the aggregate principal amount of the Bonds issued pursuant to this Ordinance then Outstanding and all interest to accrue until the maturity thereof.

Principal and interest payments, and any payments made for the purpose of funding the Reserve Accounts, whether for a deficiency or otherwise, shall be made on a parity basis and pro rata with respect to the Series 1998 Bonds, the Series 1995 Bonds and the Series 1994 Bonds, in accordance with the respective principal amounts then outstanding.

B. The Bond Commission is hereby designated as the fiscal agent for the administration of the Series 1998 Bonds Sinking Fund created hereunder, and all amounts required for the Series 1998 Bonds Sinking Fund shall be remitted to the Bond Commission from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Bond Commission shall clearly identify the fund or account into which each amount is to be deposited.

C. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in all funds and accounts 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.

D. 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, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

ARTICLE V

INVESTMENTS; NON-ARBITRAGE

Section 5.01. Investments. Any moneys held as a part of the funds and accounts created by this Ordinance other than the Revenue Fund, shall be invested and reinvested by the Bond 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 Ordinance, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 5.01.

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 Bond 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 Series 1998 Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest on the Series 1998 Bonds from gross income for federal income tax purposes.

Section 5.02. 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 1998 Bonds which would cause the Series 1998 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 **1998** Bonds) so that **the** interest on **the** Series **1998** 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 5.03. Small Issuer Exemption from Rebate Excess Investment Earnings in 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 1998 Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Series 1998 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 **1998** 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 **1998** Bonds. For **purposes** of the first **paragraph** of Section 5.03 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 5.03 and Section 148(0)(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 5.03 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(0)(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 1998 Bonds and otherwise covenants and agrees to comply with the provisions of such Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1998 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, plus interest, 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.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. General Covenants Of th Issuer. All the covenants, agreements and provisions of this Ordinance 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 1998 Bonds. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Series 1998 Bonds, as hereinafter provided. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 1998 Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. Banda nat Ix ~~Indebtedness~~ Of the laws. ~~The~~ series 1998 Bonds shall not 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 funds pledged for such payment by this Ordinance. No Holder or Holders of any Series 1998 Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1998 Bonds or the interest thereon.

Section 6.03. Bow Secured ky pledge Of N Revenues. The payment of the debt service of the Series 1998 Bonds shall be secured by a first lien on the Net Revenues derived from the operation of the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Series 1995 Bonds and the Series 1994 Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest on the Bonds and to make all other payments **provided** for in this Ordinance, are **hereby irrevocably pledged** to the payment of the principal of and interest on the Bonds as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. 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 on December 12, 1994.

Section 6.05. of th System. So long as the Series 1995 Bonds and the Series 1994 Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the 1995 Ordinance and the 1994 Ordinance. Additionally, so long as the Series 1998 Bonds are outstanding and except as otherwise required by law, 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 fully pay the Series 1998 Bonds or to defease the pledge created by this Ordinance as provided by Section 9.01 hereof. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to Bond Commission for deposit in the Series 1998 Bonds Sinking

Fund, and the Issuer shall direct the Bond Commission to apply such proceeds to the payment of principal of and interest on the Series 1998 Bonds as prescribed by Section 9.01 hereof. Any balance remaining after the payment of the Series 1998 Bonds and the interest thereon shall be remitted to the Issuer by the Bond 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 is not in excess of \$25,000, the Sanitary Board shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the **operation thereof, concurred** by resolution of the Issuer **and the Sanitary Board may then provide** for the sale of such property. The proceeds of any such sale, lease or other disposition of such property shall be deposited by the Issuer into 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 \$25,000, the Sanitary Board shall first, in writing, determine upon consultation with 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 the Issuer may then,** if it be so advised, by resolution duly **adopted, approve** and concur in **finding and** authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds of any such sale, lease or other disposition of such property shall be deposited by the Issuer into the Renewal and Replacement Fund.

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 \$25,000 and insufficient to defease the pledge created by this Ordinance as provided by Section 9.01 hereof, without the prior **approval** and consent in writing of the Holders, or their duly authorized representatives, of the Bonds **then Outstanding. The Issuer shall prepare the** form of such approval **and** consent for execution by the Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such **properties of the System.**

Section 606. I, ya a Other Obligations Payable Cnit Qf ~~seman~~ and Genera' Covenant Against Encumbrances. Except as provided for in Section 6.07 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 revenues with the Bonds. 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 that, no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Ordinance at the time of issuance of such subordinate obligations have been made and are current.

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, except with respect to such additional parity Bonds, 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 Ordinance or upon the System or any part thereof.

Section 6.07. Additional Parity Bonds. So long as the Series 1995 Bonds and the Series 1994 Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the 1995 Ordinance and the 1994 Ordinance shall be applicable. In addition, 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 to this Ordinance, 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 acquisition and construction of additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued by the Issuer, 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 Recorder a written statement by Independent Certified Public Accountants, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months in the 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 3 succeeding years after the date of issuance of 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;
- (2) Any additional parity Bonds theretofore issued pursuant to the provisions contained in this Ordinance 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 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) any improvements to be financed by such additional parity Bonds and (b) 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 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 Net Revenues of the System on a parity with the Bonds. All the covenants and other provisions of this Ordinance (except as to details of such additional parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any additional parity Bonds theretofore or 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 of their issuance, shall rank equally with respect to their lien on the Net Revenues of the System, and their source of and security for payment from said Net Revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Ordinance required for and on account of such additional parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Ordinance.

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 on the revenues of the System of which 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 issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance on account of the Bonds then Outstanding, and any other payments provided for in this Ordinance, shall have been made in full as required to the date of issuance of the additional parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and every ordinance **supplemental** thereto, or shall have fully corrected any delinquency or deficiency in such payments and compliance.

Section 6.08. &Ids 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 current generally accepted accounting principles, to the extent allowable under and in accordance with the rules **and** regulations of the Public Service Commission of West Virginia and the Act. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be **required** shall be kept in the manner, on the forms, in the books and along with 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 it shall direct.

The Issuer shall file with the Purchaser, and mail to any Bondholder requesting the same, an annual report containing the following:

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

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

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

The Issuer or the Board shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by Independent Certified Public Accountants, 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 Bonds issued pursuant to this Ordinance and shall file said report with the Purchaser.

Section 6.09. Ram. 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 on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds; provided that, when the Reserve Accounts and the reserve accounts for obligations prior to or on a parity with the 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 on the Bonds and all other obligations prior to or on a parity with the Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 6.04 hereof.

Section 6.10. Operating Budget. 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. 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 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 Purchaser and shall make available** such **budgets and** all resolutions **authorizing increased** expenditures for operation and maintenance of the System at all **reasonable** times to the Purchaser and to any Bondholder or anyone acting for and in **behalf** of such **Bondholder** who requests the same.

Section 6.11. In 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 or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services **provided** by the System.

Section 6.12. Enforcement Of Collection. 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 and** to the extent **authorized by** the laws of the State and the rules **and regulations** of the Public Service Commission of West Virginia, all delinquent rates, rentals **and other changes**, if not paid, 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 **and** facilities of the System **and** any services **and** facilities of the Issuer's waterworks system, to all delinquent users of services and facilities of the System **and** will not restore such services of the System (or waterworks system) until all billing for charges

for the services and facilities of the System, plus reasonable interest and penalty charges for the restoration of service, has been fully paid.

Section 6.13. No free Services. 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 department, agency, instrumentality, officer or employee thereof shall avail himself 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. Such charges shall be paid as they accrue, and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. 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 6.14. Insurance and **§onth.** The Issuer hereby covenants and agrees, that so long as the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance and bonds and worker's compensation coverage with a reputable insurance carrier or carriers or bonding company or companies covering the following risks and 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 greater of the fair appraised value or the original cost thereof. In the event of any damage to or destruction of any portion of the System, the proceeds of all such insurance policies shall be placed in the **Renewal and Replacement Fund and used** only for the repair or reconstruction of such **damaged** or destroyed portion 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 during any** construction in the full **insurable value thereof.**

(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 OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing 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 any additions, extensions or improvements for the System in compliance with West Virginia Code Section 38-2-39.

(4) FLOOD INSURANCE, if the System is 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 and employee of the **Sanitary Board** or 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 6.15. **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 waterborne 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, 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 and every such owner, tenant or occupant shall, after a 30-day notice of the availability of sewerage services of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or waterborne 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 residents 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 6.16. Operation and Maintenance. The Issuer shall maintain the System in good condition and shall 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 said System in the manner provided in this Ordinance.

Section 6.17. IaA 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 1998 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 1998 Bonds during the term thereof is, **under** the terms of the Series 1998 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) in the event **that both** (A) in excess of **5%** of the Net Proceeds of the Series 1998 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 **1998 Bonds** during the term thereof is, under **the** terms of the Series 1998 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 **1998 Bonds used for a Private Business Use** shall be **used** for a **Private Business Use related to the governmental use of the System, or if the Series 1998 Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System 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 the lesser of 5% of the Net Proceeds of the Series **1998 Bonds** or \$5,000,000 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 1998 Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.**

D. **INFORMATION RETURN.** The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 1998 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 all actions that may be required of it so that the interest on the Series 1998 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.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 1998 Bonds:

(A) If default occurs in the due and punctual payment of the principal of or interest on any Bond;

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part in this Ordinance or any Supplemental Resolution or in the Series 1998 Bonds, and such default shall have continued for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer by any Bondholder, the Bond Commission, the Depository Bank or the Registrar; or

(C) 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

(D) If default occurs with respect to the Series 1995 Bonds, the Series 1994 Bonds, the 1995 Ordinance or the 1994 Ordinance.

Section 7.02. 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 however, that all rights and remedies of the Holders of the Series 1998 Bonds shall be on a parity with those of the Holders of the Series 1995 Bonds and the Series 1994 Bonds.

Section 7.03. 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 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 on behalf of the Issuer, with the 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.

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 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 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, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLEVUI

[RESERVED]

ARTICLE IX

DEFEASANCE

Section 9.01. Defeas e Qf BOW. If the Issuer shall **pay** or cause to be paid, or there shall otherwise be paid, to the Holders of the Series 1998 Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, then this Ordinance **and** the pledges of the Net Revenues and other moneys and securities pledged **hereunder, and all** covenants, **agreements** and other **obligations** of the Issuer on behalf of the Holders of the Series **1998** Bonds **made** hereunder, 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 **1998 Bonds** from gross income for **federal** income **tax purposes**.

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 the respective principal of an³ 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 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 Bond Commission or an escrow trustee 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 Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Bonds prior to the maturity thereof, on and prior to said redemption date. Neither securities nor moneys deposited with the Bond Commission or an escrow trustee 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 Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, 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 redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or redemption dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment Of Ordinance. Prior to issuance of the Series 1998 Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 1998 Bonds, this Ordinance and any Supplemental Resolution may be amended or modified without the consent of any Bondholder or other person, solely for the purpose of maintaining the tax-exempt status of the Series 1998 Bonds. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Holders of the Series 1998 Bonds then Outstanding and affected thereby, which must be obtained by the Issuer before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Bond without the express written consent of the Holder of such Bond, nor reduce the percentage of Bonds required for consent to any such modification or amendment. Notwithstanding the foregoing, this Ordinance may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(1) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest on the Series 1998 Bonds from gross income of the holders thereof.

Section 10.02. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 10.03. Table of Contents and headingq. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 10.04. Conflicting Provisions Sepealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance, are, to the extent of such conflict, hereby repealed; provided that, this Ordinance shall be subject to the 1995 Ordinance and the 1994 Ordinance.

Section 10.05. Covenant of Qi Prs ure, an. 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 hi 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 City Manager, the Recorder and members of the

Council 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 10.06. Statutory Notice i 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 Clarksburg Exponent and The Clarksburg Telegram, two newspapers of general circulation in the City of Bridgeport, there being no newspaper published therein, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the 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.

Section 10.07. Effective Data. This Ordinance shall become effective following the public hearing and final reading hereof.

Passed on First Reading: July 27, 1998

Passed on Second Reading: **August 10, 1998**

Effective on Final Reading
Following Public Hearing: August 24, 1998


Mayor

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the Council of the CITY OF BRIDGEPORT on August 24, 1998.

Dated this 25th day of August, 1998.

[SEAL]


Recorder

EXHIBIT A - BOND FORM

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BRIDGEPORT
SEWER REFUNDING REVENUE BOND,
SERIES 1998

No. R-

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF BRIDGEPORT, a municipal corporation and political subdivision of the State of West Virginia in Harrison 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 order of

_____ or registered assigns (the "Registered Owner"), the principal sum of _____ (\$ _____), plus interest as follows:

A. Interest on this Bond shall be payable at the rate of _____ % per annum (hereinafter sometimes called the "Tax-Exempt Rate").

B. Notwithstanding any other provision herein, in the event the interest on this Bond is declared to be includible in gross income for federal income tax purposes by the Internal Revenue Service ("Determination of Taxability"), interest on this Bond shall be payable at the rate of _____ % per annum (hereinafter sometimes called the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the date of Determination of Taxability and such interest rate shall be charged retroactively and prospectively for all periods in which interest paid on this Bond is asserted, declared or determined to be includible in gross income for federal income tax purposes, and shall continue until the entire principal of and interest on this Bond are paid, notwithstanding that the entire principal amount of this Bond may have been paid in full prior to the Determination of Taxability. Any interest being past due on this Bond by reason of such increase shall become immediately due and payable.

C. Interest only shall be payable _____
Thereafter, both interest and principal shall be payable semiannually on
_____ and _____ of each year, commencing
to and including _____

D. All payments received by the Paying Agent on account of
this Bond shall be applied first to payment of interest accrued on this
Bond and next to payment of principal of this Bond. If not sooner paid,
the entire principal amount of this Bond unpaid on _____
, together with all accrued interest and any other sums due and
owing upon this Bond shall be due and payable on such date.

The principal of and interest on this Bond is payable in any coin or currency
which on the date of payment thereof 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 is subject to prepayment of principal in whole or in part at any time,
without penalty.

**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 1994 (WEST
VIRGINIA SRF PROGRAM), DATED DECEMBER 9, 1994, ISSUED IN THE ORIGINAL
AGGREGATE PRINCIPAL AMOUNT OF \$421,497 (THE "SERIES 1994 BONDS"), AND
SEWER REVENUE BONDS, SERIES 1995 (WEST VIRGINIA SRF PROGRAM), DATED
JUNE 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF
\$5,000,000 (THE "SERIES 1995 BONDS").**

This Bond is issued (i) to refund the City of Bridgeport Sewer Revenue Bonds,
Series A and Series B, dated April 1, 1977 (the "Prior Bonds"), and (ii) to pay the costs of
issuance of the Bonds of this Series (the "Bonds") and related costs. 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 of the West Virginia Code of
1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on
_____, 199_, and supplemented by a supplemental resolution duly adopted by
the Issuer on _____, 199_ (collectively, the "Ordinance"), and is subject to all
the terms and conditions of said Ordinance. The Ordinance 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 Ordinance.

The Bonds and the interest thereon are payable only from and are secured by the Net Revenues (as defined in the Ordinance) 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 1995 Bonds and the Series 1994 Bonds, and from the unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance.

This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues and unexpended Bond proceeds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to produce revenues net of such operating expenses equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds, and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Series 1995 Bonds and the Series 1994 Bonds; provided that, when the reserve accounts for obligations prior to dr on a parity with the Bonds are funded at least at 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds shall be applied solely to refund the Prior Bonds and pay all costs in connection therewith and costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

This Bond, under the provisions 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, but may be transferred only upon the surrender hereof at the office of _____, _____, West Virginia, as registrar (the "Registrar") and otherwise as provided by the within-described Ordinance.

This Bond and the interest hereon are, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

This Bond is hereby designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration attached hereto shall have been signed by the Registrar.

All provisions of the Ordinance and the 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.

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 said 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 on this Bond.

IN WITNESS WHEREOF, the CITY OF BRIDGEPORT has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its Recorder, and has caused this Bond to be dated _____
199 .

[SEAL]

Mayor

City Manager

ATTEST:

Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below.

Dated: _____

as Registrar

By
Its Authorized Officer

(Form of)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

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

the within Bond and does hereby irrevocably constitute and appoint

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

Dated: _____

In the presence of:

08/11/98
102350/98001

CITY OF BRIDGEPORT

Sewer Refunding Revenue Bonds, Series 1998

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO DATE, PRINCIPAL AMOUNT, MATURITY DATE, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REFUNDING REVENUE BONDS, SERIES 1998, OF THE CITY OF BRIDGEPORT; AUTHORIZING AND APPROVING AN ESCROW AGREEMENT AND OTHER INSTRUMENTS RELATING TO SUCH REFUNDING AND BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO WESBANCO BANK FAIRMONT, INC; DESIGNATING A REGISTRAR, PAYING AGENT, ESCROW AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE REFUNDING.

WHEREAS, the city council (the "Governing Body") of the City of Bridgeport (the "Issuer"), has duly and officially adopted and enacted a bond ordinance, effective August 24, 1998 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE REFUNDING AND REDEMPTION OF THE SEWER REVENUE BONDS, SERIES A AND SERIES B, DATED APRIL 1, 1977, OF THE CITY OF BRIDGEPORT; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 1998, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$920,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER MONEYS AVAILABLE THEREFOR, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ENACTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

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

WHEREAS, the Bond Ordinance provides for the issuance of Sewer Refunding Revenue Bonds, Series 1998, of the Issuer (the "Bonds" or the "Series 1998 Bonds"), in an aggregate principal amount not to exceed \$920,000, for the purposes of refunding the Issuer's outstanding Sewer Revenue Bonds, Series A and Series B, dated April 1, 1977 (the "Prior Bonds"), and paying the costs of issuance of the Bonds and related costs, all in accordance with Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act"); and in the Bond Ordinance it is provided that the date, exact principal amount, maturity date, interest rates, 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 Bonds are proposed to be purchased by WesBanco Bank Fairmont, Inc., Bridgeport, West Virginia (the "Purchaser"), pursuant to a commitment letter dated July 21, 1998; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted and that the date, the exact principal amount, the maturity date, the interest rates, the interest and principal payment dates, the sale price and other terms 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 CITY OF BRIDGEPORT:

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 Refunding Revenue Bonds, Series 1998, of the Issuer, originally represented by a single Bond, numbered R-1, in the principal amount of \$880,000. The Bonds shall be dated the date of delivery thereof, shall finally mature on October 1, 2012, and shall bear interest at the rate of 5.15% per annum (the "Tax-Exempt Rate"), prQY that, in the event that the interest on the Bonds is determined to be subject to federal income taxation by the Internal Revenue Service, such interest shall be payable at the rate of 7.9825% per annum from the date of such determination of taxability. Interest only shall be payable October 1, 1998. Thereafter, both interest and principal shall be payable semiannually on April 1 and October 1 of each year, commencing April 1, 1999, through and including October 1, 2012.

The Bonds shall be subject to prepayment in whole or in part at **any** time, without penalty.

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 Escrow Agreement by and between the Issuer and the West Virginia Municipal Bond Commission, as escrow agent, to be dated as of the date of delivery of the Bonds, substantially in the form submitted to this meeting shall be and the same is hereby **approved**. The Mayor shall execute and deliver the Escrow Agreement with such changes, insertions and omissions as **may** be **approved by the Mayor**. **Execution of the Escrow Agreement by the Mayor shall be conclusive** evidence of **any approval required** by this Section.

Section 4. The Bonds shall be sold to **WesBanco Bank Fairmont, Inc., Bridgeport, West Virginia**, and shall be registered in the name of such bank. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 5. The Issuer does hereby appoint and designate **WesBanco Bank Fairmont, Inc., Bridgeport, West Virginia**, to serve as Registrar for the Bonds under the Bond Ordinance.

Section 6. 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 7. The Issuer does hereby appoint and designate the **West Virginia Municipal Bond Commission, Charleston, West Virginia**, to serve as the Escrow Agent under the Escrow Agreement.

Section R. The Issuer does hereby appoint and designate **WesBanco Bank Fairmont, Inc., Bridgeport, West Virginia**, to serve as Depository Bank under the Bond Ordinance.

Section 9. The entire outstanding principal of the Prior Bonds shall be redeemed in full on **October 1, 1998**, in accordance with the provisions of the Escrow Agreement.

Section 10. Based upon the actual principal amount, maturity schedule and interest rates for the Bonds, as set forth in Section 1 hereof, it is hereby determined that the issuance of the Bonds and the refunding of the Prior Bonds will produce a net savings to the Issuer after deducting all expenses of the refunding. In addition to such net savings, one of the purposes of issuing the Bonds is to effect the release, termination or modification of liens, restrictions, conditions or limitations imposed in connection with the Prior Bonds,

specifically, a reduction of the debt service coverage requirements to permit issuance of additional bonds without having to meet a high debt service coverage.

Section 11. 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 12. The Issuer is a governmental unit with general taxing powers to finance operations of or facilities of the nature of the Project and the System; no part of the Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer; and the Issuer reasonably expects to issue less than \$5,000,000 aggregate principal face amount of tax-exempt obligations (other than private activity bonds) during the calendar year 1998, being the calendar year in which the Bonds are to be issued. For purposes of this Section 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 Section 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 Section 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.

Section 13. The Issuer hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 1998.

Section 14. The Mayor, the City Manager 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 to the Purchaser on or about August 25, 1998.

Section 15. The Mayor is hereby authorized and directed to transfer from the sinking fund and reserve account created for the Prior Bonds, and held by the West Virginia Municipal Bond Commission, the amounts set forth in the Escrow Agreement, to the Escrow Fund.

Section 16. The Escrow Agent is hereby authorized to purchase the Government Securities set forth in the Escrow Agreement.

Section 17. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 24th day of August, 1998.

CITY OF BRIDGEPORT



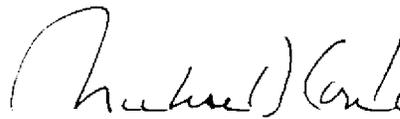
Mayor

CERTIFICATION

Certified a true, correct and complete copy of a Supplemental Resolution duly adopted by the Council of the City of Bridgeport on the 24th day of August, 1998.

Dated this 25th day of August, 1998.

[SEAL]

A handwritten signature in black ink, appearing to read "Michael J. Carle". The signature is fluid and cursive.

Recorder

08/20/98
102350/98001

Amendatory Ordinance (Sewer)

CITY OF BRIDGEPORT

Sewer Refunding Revenue Bonds, Amended Series 1998

AMENDATORY ORDINANCE

AN ORDINANCE SUPPLEMENTING AND AMENDING AN ORDINANCE OF THE CITY OF BRIDGEPORT ENACTED AUGUST 24, 1998, AS SUPPLEMENTED BY A SUPPLEMENTAL RESOLUTION ADOPTED AUGUST 24, 1998; AMENDING THE INTEREST RATE PAYABLE ON THE CITY'S SEWER REFUNDING REVENUE BONDS, SERIES 1998 AND THE FINAL MATURITY DATE THEREOF; PROVIDING FOR THE REISSUANCE OF SUCH BONDS AND MAKING OTHER PROVISIONS AS TO SUCH BONDS.

WHEREAS, the City Council (the "Governing Body") of the City of Bridgeport (the "Issuer"), duly and officially adopted and enacted a bond ordinance, effective August 24, 1998 (the "Ordinance"), entitled:

ORDINANCE AUTHORIZING THE REFUNDING AND REDEMPTION OF THE SEWER REVENUE BONDS, SERIES A AND SERIES B, DATED APRIL 1, 1977, OF THE CITY OF BRIDGEPORT; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 1998, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$920,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER MONEYS AVAILABLE THEREFOR, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ENACTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

WHEREAS, the Governing Body of the Issuer thereafter adopted a Supplemental Resolution, effective August 24, 1998 (the "Supplemental Resolution"), supplementing such Ordinance, entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO DATE, PRINCIPAL AMOUNT, MATURITY DATE, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REFUNDING REVENUE BONDS, SERIES 1998, OF THE CITY OF BRIDGEPORT; AUTHORIZING AND APPROVING AN ESCROW AGREEMENT AND OTHER INSTRUMENTS RELATING TO SUCH REFUNDING AND BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO WESBANCO BANK FAIRMONT, INC; DESIGNATING A REGISTRAR, PAYING AGENT, ESCROW AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE REFUNDING.

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in said Ordinance and Supplemental Resolution (hereinafter collectively referred to as the "Bond Legislation");

WHEREAS, the Bond Legislation provided for the issuance of the Sewer Revenue Refunding Bonds, Series 1998, of the Issuer in the aggregate principal amount of \$880,000 (the "Original Bonds") which Original Bonds were dated and delivered on August 25, 1998, for the purposes of refunding certain previously issued sewer revenue bonds of the Issuer theretofore issued for the purpose of financing the costs of extensions, additions, betterments and improvements to the existing public sanitary sewer system of the Issuer and paying costs of issuance of the Original Bonds, all in accordance with Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Original Bonds were purchased upon original issuance by WesBanco Bank Fairmont, Inc., Bridgeport, West Virginia (the "Purchaser"), pursuant to a commitment letter dated July 21, 1998 and are currently owned in their entirety by the Purchaser;

WHEREAS, the Original Bonds currently bear interest at the rate of 5.15% per annum, with installments of principal and interest payable on April 1 and October 1 of each year, through and including October 1, 2012, the final maturity date thereof;

WHEREAS, the Issuer has requested, and the Purchaser has approved, a reduction in the interest rate borne by the Original Bonds from 5.15% to 3.90% per annum, while maintaining the semiannual installment payment amount of \$44,493.42, with a commensurate reduction in the final maturity date of the Original Bonds (the "Amendment");

WHEREAS, the Amendment constitutes a "reissuance" of the Original Bonds under Section 103 of the Internal Revenue Code of 1986, as amended, and regulations thereunder (the "Code") specifically, Reg. Section 1,1001-3;

WHEREAS, the Issuer wishes to take all steps necessary to implement the Amendment and reissue the Original Bonds in conformance with the laws of the State and the Code; and

WHEREAS, therefore, the Governing Body deems it essential and desirable that this Amendatory Ordinance (the "Amendatory Ordinance") be enacted and that the interest rate borne by the Original Bonds and the final maturity thereof be amended and that the Original Bonds be reissued in the manner stated herein and that other matters relating to the reissuance of the Original Bonds be herein provided for;

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF BRIDGEPORT:

Section 1. Pursuant to the Bond Ordinance and the Act, this Amendatory Ordinance is hereby enacted and there are hereby authorized and ordered to be reissued the Sewer Refunding Revenue Bonds, Amended Series 1998, of the Issuer (the "Bonds"), originally represented by a single Bond, numbered R-1, in the principal amount of \$634,560, which represents the principal balance outstanding as of the date of enactment of this Amendatory Ordinance. The reissued Bonds shall be dated the date of delivery thereof and shall bear interest at the rate of 3.90% per annum, so long as they bear interest at the Tax-Exempt Rate. Both principal and interest shall continue to be payable in semiannual installments on April 1 and October 1 of each year, commencing through and including April 1, 2012. Unless earlier prepaid, the Bonds shall finally mature on April 1, 2012. The Bonds shall be subject to prepayment of principal and interest to the date of prepayment in whole or in part, at any time, without premium.

Section 2. In order to effectuate the Amendment. Section 1 of the Supplemental Resolution is hereby amended to read as follows, strike-throughs indicating deleted language and underlines indicating additional language.

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 Refunding Revenue Bonds, Series 1998, of the Issuer, originally represented by a single Bond, numbered R-1, in the principal amount of \$880,000. The Bonds shall be dated the date of delivery thereof, shall finally mature on October 1, 2012 April 1, 2012, and shall bear interest at the rate of 5.15 % 3.90% per annum (the "Tax-Exempt Rate"), provided that, in the event that the interest on the Bonds is determined to be subject to federal income taxation by the Internal Revenue Service, such interest shall be payable at the rate of 7.9825% per annum from the date of such determination of taxability. Interest only shall be payable October 1, 1998. Thereafter, both interest and principal shall be payable semiannually on April 1 and October 1 of each year, commencing April 1, 1999, through and including October 1, 20+ April 1, 2012. The Bonds shall be subject to prepayment in whole or in part at any time, without penalty.

Section 3. All other provisions relating to the Bonds and the form of the Bonds shall be in substantially the form originally provided in the Bond Ordinance.

Section 4. The Bonds shall be sold to WesBanco Bank, Inc., Bridgeport, West Virginia, and shall be registered in the name of such bank. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 5. The Issuer does hereby continue the designation of the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent for the Bonds.

Section 6. The Issuer does hereby continue the designation of WesBanco Bank, Inc., Bridgeport, West Virginia, as Registrar and Depository Bank under the Bond Legislation.

Section 7. The Mayor, City Manager and Recorder are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the reissuance of the Bonds herein provided for, to the end that the reissued Bonds may be delivered on or about January 15, 2004, to the Purchaser.

Section 8. 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 9. The Issuer is a governmental unit with general taxing powers to finance operations of or facilities of the nature of the Project and the System; no part of the Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer; and the Issuer reasonably expects to issue less than \$5,000,000 aggregate principal face amount of tax-exempt obligations (other than private activity bonds) during the calendar year 2004, being the calendar year in which the Bonds are to be issued. For purposes of this Section 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 Section 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 Section 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 benefitting thereby shall be treated as one issuer.

Section 10. The Issuer and all subordinate entities do not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation) during the calendar year 2004 and the Issuer hereby designates the Bonds as "qualified tax-exempt obligations," as defined in Section 265(b) of the Internal Revenue Code of 1986, as amended.

Section 11. The provisions of this Amending Ordinance 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 12. If any section, paragraph, clause or provision of this Amending 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 Amending Ordinance, the Bond Legislation or the Bonds.

Section 13. 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 14. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Amendatory Ordinance are, to the extent of such conflict, hereby repealed.

Section 15. 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 Amendatory 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 City Manager, the Recorder and members of the Governing Body were at all times when any actions in connection with this Amendatory Ordinance occurred and are duly in office and duly qualified for such office.

Section 16. This Amendatory Ordinance shall take effect immediately following public hearing hereon.

Section 17. 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 Clarksburg Exponent Telegram, a newspaper of general circulation in the City of Bridgeport, there being no newspaper published therein, together with a notice stating that this Amendatory Ordinance has been adopted and that the Issuer contemplates the reissuance of the Bonds, and that any person interested may appear before the Council upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Amendatory Ordinance and notice, and present protests, and that a certified copy of this Amendatory 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: - December 8, 2003
Passed on Second Reading: - December 22, 2003
Passed on Final Reading
Following Public
Hearing: January 12, 2004

By: 
Mayor

CERTIFICATION

The undersigned, being the duly qualified, elected and acting Recorder of the City of Bridgeport, does hereby certify that the foregoing Amendatory Ordinance was duly adopted and enacted by the council of the City of Bridgeport following a public hearing thereon, at regular meetings duly held, pursuant to proper notice thereof, on December 8, 2003, December 22, 2003 and January 12, 2004, quorums being present and acting throughout, and which Amendatory Ordinance has not been repealed, rescinded, modified, amended or revoked, and is a true, correct and complete copy thereof as witness my hand and the seal of the City of Bridgeport this January 15, 2004.

[SEAL]

By:
Recorder

01/14/04
102350.00003

Cross Receipt for Bonds

CITY OF BRIDGEPORT

Sewer Refunding Revenue Bonds, Amended Series 1998

CROSS-RECEIPT FOR BONDS

The undersigned authorized representative of WesBanco Bank, Inc. , Bridgeport, West Virginia (the "Purchaser"), and the undersigned Mayor of the City of Bridgeport (the "Issuer"), hereby certify as follows, all capitalized terms used herein and not defined to have the same meanings set forth in the ordinance of the Issuer enacted August 24, 1998, as supplemented and amended (the "Ordinance").

1. On January 15, 2004, in Bridgeport, West Virginia, the Purchaser received the single, fully registered City of Bridgeport Sewer Refunding Revenue Bond, Amended Series 1998, No. R-1, in the principal amount of \$634,560, dated January 15, 2004 (the "Bond"). The Bond represents the entire above-captioned Bond issue.
2. At the time of such receipt, the Bond had been duly executed and sealed by the designated officials of the Issuer.
3. On the date hereof, in exchange for the Bond, the Purchaser surrendered to the Issuer the City of Bridgeport Sewer Refunding Revenue Bond, Series 1998, dated August 25, 1998, issued as a single Bond, numbered R-1, in the aggregate principal amount of \$880,000 (the "Original Bond").
4. The Purchaser further certifies that the Bond is in form and substance satisfactory to the Purchaser.

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BRIDGEPORT
SEWER REFUNDING REVENUE BOND,
AMENDED SERIES 1998

No. R-1

\$634,560

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF BRIDGEPORT, a municipal corporation and political subdivision of the State of West Virginia in Harrison 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 order of

- WESBANCO BANK, INC.-

or registered assigns (the "Registered Owner"), the principal sum of SIX HUNDRED THIRTY-FOUR THOUSAND FIVE HUNDRED SIXTY DOLLARS (\$634,560), plus interest as follows:

A. Interest on this Bond shall be payable at the rate of 3.90% per annum (hereinafter sometimes called the "Tax-Exempt Rate").

B. Notwithstanding any other provision herein, in the event the interest on this Bond is declared to be includible in gross income for federal income tax purposes by the Internal Revenue Service ("Determination of Taxability"), interest on this Bond shall be payable at the rate of 7.9825% per annum (hereinafter sometimes called the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the date of Determination of Taxability and such interest rate shall be charged retroactively and prospectively for all periods in which interest paid on this Bond is asserted, declared or determined to be includible in gross income for federal income tax purposes, and shall continue until the entire

SPECIMEN

principal of and interest on this Bond are paid, notwithstanding that the entire principal amount of this Bond may have been paid in full prior to the Determination of Taxability. Any interest being past due on this Bond by reason of such increase shall become immediately due and payable.

C. Both interest and principal shall be payable semiannually on April 1 and October 1 of each year, commencing April 1, 2004, to and including April 1, 2012.

D. All payments received by the Paying Agent on account of this Bond shall be applied first to payment of interest accrued on this Bond and next to payment of principal of this Bond. If not sooner paid, the entire principal amount of this Bond unpaid on April 1, 2012, together with all accrued interest and any other sums due and owing upon this Bond shall be due and payable on such date.

The principal of and interest on this Bond is payable in any coin or currency which on the date of payment thereof 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 is subject to prepayment of principal in whole or in part at any time, without penalty.

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 1994 (WEST VIRGINIA SRF PROGRAM) , DATED DECEMBER 9, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$421,497 (THE "SERIES 1994 BONDS"), AND SEWER REVENUE BONDS, SERIES 1995 (WEST VIRGINIA SRF PROGRAM), DATED JUNE 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$5,000,000 (THE "SERIES 1995 BONDS").

This Bond is issued (i) to refund the City of Bridgeport Sewer Revenue Bonds, Series A and Series B, dated April 1, 1977 (the "Prior Bonds"), and (ii) to pay the costs of issuance of the Bonds of this Series (the "Bonds") and related costs. 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 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on

SPEC L.

August 24, 1998, supplemented by a supplemental resolution duly adopted by the Issuer on August 24, 1998 and amended by an amendatory ordinance duly enacted by the Issuer on January 12, 2004 (collectively, the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance.

The Bonds and the interest thereon are payable only from and are secured by the Net Revenues (as defined in the Ordinance) 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 1995 Bonds and the Series 1994 Bonds, and from the unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance.

This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues and unexpended Bond proceeds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to produce revenues net of such operating expenses equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds, and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Series 1995 Bonds and the Series 1994 Bonds; provided that, when the reserve accounts for obligations prior to or on a parity with the Bonds are funded at least at 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds shall be applied solely to refund the Prior Bonds and pay all costs in connection therewith and costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

This Bond, under the provisions 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, but may be transferred only upon the surrender hereof at the office WesBanco Bank, Inc., Bridgeport, West Virginia, as registrar (the "Registrar") and otherwise as provided by the within-described Ordinance.

SPECIMEN

This Bond and the interest hereon are, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

This Bond is hereby designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration attached hereto shall have been signed by the Registrar.

All provisions of the Ordinance and the 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.

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 said 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 on this Bond.

SPECIMEN

IN WITNESS WHEREOF, the CITY OF BRIDGEPORT has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its Recorder, and has caused this Bond to be dated January 15, 2004.

The date of original delivery of this Bond is January 15, 2004.

CITY OF BRIDGEPORT

[SEAL]

By: 
Its Mayor

By: 
Its City Manager

ATTEST:

By / G-4~1A.0.1 
Its Recorder

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner but set forth in the "SCHEDULE OF REGISTERED OWNERS" attached hereto as of the date set forth below.

Dated: January 15, 2004.

WESBANCO BANK, INC., as Registrar

By:
Its Authorized Officer

SPED MPN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

the within Bond and does hereby irrevocably constitute and appoint

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

Dated:

In the presence of:

SPECIMEN

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Registrar</u>
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PREAMBLE TO THE BRIDGEPORT CITY CHARTER

Bridgeport became an incorporated community on March 21, 1887, *many* years after having been carved out of the wilderness by our pioneer ancestors. From humble beginnings, it has become a small city of 7,000 friendly people who take pride in its growth, development, convenience and aesthetic values.

It was the *mission of* the Charter Board, elected *and* empowered by the citizens of Bridgeport at an election held June 3, 1992, to study and recommend such improvements in the city government as may be deemed necessary.

The study has identified the following two problem areas:

1. The lack of effective short and **long** term planning, as well as a lack of continuity and consistency, are the result of the short and unstaggered terms of the governing body.
2. City growth has **created** additional administrative needs in **excess** of the response capacity of the administrative authority which **meets** regularly two evenings per month. Inefficiencies result from the lack of access to an effective central authority on a daily basis.

The proposed charter contains the following remedies to the identified problems:

1. Retain as the governing body, with longer staggered terms, the present Council consisting of the Mayor, Recorder and 5 other members. The Council shall have full legislative powers and be responsible for governmental policy and citizen contacts.
2. Council shall be empowered and required to employ a Manager who is responsible for all the administrative duties of city operations.

In this charter we have provided for leadership of the city, as mandated by the electorate, and a government which is accountable to the citizens it represents, clearly delineating the duties, responsibilities and authorities of the administrative and legislative branches of the city's government.

In the hope that we have fulfilled our mission and our obligation, we, the Charter Board, have adopted and do propose to the electorate of the City of Bridgeport, the following charter:

CHARTER OF
THE CITY OF BRIDGEPORT; WEST VIRGINIA

SECTION 1. INCORPORATION AND SUCCESSION.

The inhabitants within the corporate boundaries of the City of Bridgeport, as they now are or as they may hereafter be, shall be and continue to *be* a municipal body politic and corporate by the *name of "The City of Bridgeport"* and as such shall have perpetual succession and shall succeed to and own, possess and enjoy all property, rights, title and interest of every kind and character owned or held by or vested in the City of Bridgeport, a municipal corporation, at the time this charter becomes effective and shall be subject to all existing debts, liabilities or obligations of said municipal corporation.

SECTION 2. FORM OF GOVERNMENT.

A "Manager-Mayor Plan", set forth as "Plan V" in Section 2 of Article 3 of Chapter 8 of the West Virginia Code 1931 as amended, is established as the form of government for the City of Bridgeport. There shall be a Mayor elected at large by the qualified voters of the City, as hereinafter provided, who shall serve as a member and the presiding officer of *the* Council; and a Manager *who* shall be appointed by the Council. The Council, Mayor and Recorder shall be the governing-body. The Manager shall be the administrative authority. The Manager shall manage the affairs of the City under the supervision of the Council and shall be responsible to the Council. The Manager shall appoint or employ, in accordance with Chapter 8 of the West Virginia Code and this Charter, all subordinates and employees for whose duties or work the Manager is responsible to Council.

SECTION 3. POWERS OF THE CITY, SELF GOVERNMENT AND
HOME RULE.

The City of Bridgeport shall have each and every authority and power granted to it by this charter and any power and authority heretofore conferred on it by the legislature by general, special or local law or parts thereof not inconsistent with the constitution or general law of the State. The City of Bridgeport shall also have all powers granted to municipalities under the constitution and statutes of the State of West Virginia, including all powers of local self government and home rule granted by Chapter 8 of the Code of West Virginia, as amended, as well as any powers or authority fairly incidental thereto or reasonably implied and within the purpose thereof,

and all such powers shall be executed in the manner prescribed by this charter and if not prescribed herein, in such manner as shall be provided by ordinance of City Council.

SECTION 4. LEGISLATIVE POWER OF COUNCIL; QUALIFICATIONS, TERM OF OFFICE, VACANCIES.

All legislative powers of the City shall be vested, subject to the terms of this charter and the constitution of the State, in the Governing Body consisting of five (5) Council members, the Mayor and Recorder, elected at large. The Governing Body shall have authority to pass all ordinances necessary and proper to carry *into* force and effect **all** of the powers of the City and to fix from time to time the salaries of all city employees and officers, including the Mayor, Manager, Recorder and members of Council: Provided, That no elected officer's salary shall be increased during the term for which he or she is elected. All members of Council shall be qualified voters of the City and shall hold no other elected public office or be employed by the City. Members of Council shall be elected for terms of four (4) years beginning on the 1st day of July following their election, except that of the five members of Council elected at the first election held under the provisions of this charter, the two receiving the smallest number of votes shall be elected for terms of *two* (2) years. At each regular election thereafter either two or three members of Council as the case may be, shall be elected to succeed the incumbent members whose terms of office expire on the 30th day of June following the election. The terms of office of **all** members of Council in office on the date this charter is adopted shall continue until the close of business on the 30th day of June following the first election held hereunder.

If any member of Council shall **cease** to be qualified as such, for any reason, the office shall immediately become vacant. Any vacancy on Council shall be filled by the affirmative vote of a majority of the remaining members of Council **appointing** a qualified person to fill the vacancy for the *unexpired* term. If the vacancy is not filled within sixty (60) days by the affirmative vote of the majority of the remaining members of Council, the Mayor shall appoint a qualified person to fill the vacancy. A council member, including the Mayor and Recorder, shall be subject to removal from office for neglect of *duty pursuant* to West Virginia Code §6-6-7 if he (1) lacks at any time during his term of office any qualification for the office prescribed by this Charter, (2) violates any express prohibition of this Charter, (3) is convicted of *a crime involving* moral turpitude, or (4) fails to attend three consecutive regular meetings of the Council without being excused by the

Council as reflected in the minutes.

SECTION S. MEETINGS OF COUNCIL; RULES OF PROCEDURE.

Regular meetings of City Council shall be held at least twice a month. Regular meetings of the City Council shall be held at 7:00 p.m. on the second and fourth Tuesdays of each month or on such other days as Council may by ordinance prescribe. Special meetings may be held at any time upon the call of the Mayor or any three (3) members of Council or upon such notice as Council by rule may prescribe. All meetings shall be open to the public. Four (4) members of Council shall constitute a quorum and the Mayor and Recorder shall be entitled to vote on all matters before Council, The Council may adopt such rules, procedures or order of business as it deems appropriate from time to time and in the absence of such rules adopted by Council, the proceedings of Council shall be governed by the rules of parliamentary procedure contained in Roberts' Rules of Order.

SECTION 6. **ATTENDANCE AT COUNCIL MEETING REQUIRED FOR VOTING.**

No member of Council may vote on any matter before Council **unless** *that* member is present at the time of the vote. No proxies or absentee votes shall be permitted.

SECTION 7. SELECTION, POWERS AND **DUTIES OF MAYOR.**

There shall be a Mayor elected at large by the qualified voters of the City who shall serve as a member *and* the presiding officer of the Council and shall perform such other duties as provided by this charter or by **law**. The Mayor shall serve for a term of four (4) years beginning on July 1st following his or her election and continuing until June 30 following the next mayoral election. Any vacancy in the office of Mayor shall be filled by appointment by the remaining members of the Governing Body of one of its members to serve for the unexpired term.

SECTION 8. DEVELOPMENT COMMITTEE; MAYOR'S ADVISORY COMMISSION .
ON ECONOMIC AND INDUSTRIAL DEVELOPMENT.

The Mayor shall appoint and chair a Development Committee consisting of three members of Council, including the Mayor, and two residents of the City. The Development Committee shall consider and report annually to Council matters related to eco-

conomic development, the use of public buildings and real estate, planning, zoning, housing and annexation.

SECTION 9. LIMITATION ON TERMS OF THE MAYOR.

The Mayor shall be elected to not more than two consecutive terms: Provided, That nothing herein shall be construed as preventing an incumbent Mayor from election to a council term following the end of the Mayor's term.

SECTION 10. RECORDER.

There shall be a Recorder elected at large by the qualified voters of the City who shall serve as a member of the Council and shall keep the journal of proceedings of the Council and have charge of and preserve the records of the City. Whenever the Mayor is unable because of illness or **absence** from the municipality to perform the duties of his office and during any vacancy in the office of Mayor, the Recorder shall perform the duties of the Mayor and be vested with all of his power and authority. The Recorder shall serve for a term of four (4) years; provided however, that the Recorder elected at the first election held hereunder shall serve for a term of two (2) years. Any vacancy in the office of Recorder shall be **filled** by the affirmative vote of Council appointing a qualified person to fill the vacancy for the unexpired term.

SECTION 11. **OATHS** OF MAYOR AND **MEMBERS** OF COUNCIL.

The Mayor, Recorder, and all other members of Council, before entering upon the duties of the office, shall make an oath or affirmation to support the Constitutions of the United States and the State of West Virginia and to discharge faithfully the duties of the office to the best of their skill and judgment. This oath or affirmation must be before someone authorized to administer oaths and shall be filed with the City Recorder.

SECTION 12. PERSONAL INTEREST OF MEMBERS OF THE GOVERNING BODY; EFFECT.

Any member of the Governing Body having any interest, direct or indirect, other than as a citizen of Bridgeport, in any matter to be acted upon in any way by Council, shall have no vote on such matter, nor shall be privileged to take part in the discussion thereof except by unanimous consent, and, upon the **request of any other** member of the Governing Body, the member

shall retire from the session until such matter has been disposed of.

SECTION 13. APPOINTMENT, REMOVAL AND QUALIFICATIONS OF MANAGER.

There shall be a Manager appointed by Council to serve at the pleasure of Council: Provided, That the removal of the Manager shall require a vote of a majority plus one of the members elected to Council: Provided further, That, if removed at any time after the Manager has served six months, the Manager may demand written charges and the right to be heard thereon at a public meeting of the Council *prior to* the date on which the final removal shall take effect; but pending and during that hearing the Council may suspend the Manager *from* office. The action of suspending or removing the Manager shall be final, it being the intention of this Charter to vest all authority and fix all responsibility for such suspension or removal in the Council. The Council may **designate some other officer** of the City to perform the duties of the Manager during the Manager's absence or disability. No person shall be eligible to the office of Manager who ***has been convicted of*** bribery, perjury, a felony or other infamous crime. The Manager shall be appointed by Council solely on the basis of his executive *and* administrative qualifications, *and* he shall have at least three (3) years experience as a manager or assistant manager in city or county government, and shall hold at least a Bachelors Degree in a field **reasonably** related to his duties. The Manager need not be a resident of the City or State when appointed, but may be required by Council to reside within the City while in office. Neither the Mayor nor any member of Council shall be chosen as Manager. The performance of the Manager shall be reviewed by Council at least semiannually.

SECTION 14. MANAGER, OATH, BOND.

Before entering upon his duties, the Manager shall make an oath of affirmation to support and defend the Constitution of the United States and of this State and to perform the duties of the office faithfully, honestly and to the best of the Manager's skill and judgment. This oath or affirmation must be before someone authorized to administer oaths and shall be filed with the City Recorder. Before entering upon the duties of the office, the Manager shall give a good and sufficient bond, payable to the City in such amount as may be prescribed by Council but not less than ten ***thousand dollars***, conditioned upon the faithful performance of the Manager's duties, and with a corporate surety authorized to do business within the State; and such

bond shall be filed with the City Recorder after being approved as to form and surety by a judge of the Circuit Court of Harrison County. The premium on such bond shall *be* payable by the City.

SECTION 15. MANAGER, POWERS AND DUTIES GENERALLY.

It shall be the duty of the Manager unless otherwise specifically provided in this Charter; to supervise the administration of the affairs of the City; to see that the orders, bylaws, ordinances, acts and resolutions of the Council thereof are faithfully executed and enforced; and to see that the laws of the State are enforced within the corporate limits of the City. The Manager shall be an ex officio member of all committees of Council. It shall also be the duty of the Manager to make all appointments and removals in the administrative and executive services, except as otherwise provided in this Charter, and those appointments and removals shall be made exclusively by the Manager without the consultation, advice or approval of the Council or any member thereof; to recommend from time to time to the Council such measures as the Manager may deem necessary for the welfare of the City;. to **keep** the Council advised of the financial condition and future **needs** of the City; to prepare and submit to the Council the annual budget estimate; to prepare and submit to the Council such reports as may be required by that body, and to perform such other duties as may be prescribed by this Charter or required by ordinance or resolution of the Council. The Manager shall determine the needs and prepare, in consultation with city department heads, a long range plan, extending two, five, and ten years, setting forth the capital expenditures which are needed to enhance the growth, prosperity and future development of the city and the improvement and **development** of its facilities, suggesting funding sources to **acquire** the same. The Manager shall report his findings to Council prior to submission of the annual budget. The Manager **shall** be responsible to the Council for the proper administration of the affairs of the City by the Manager's subordinates. Except *as* otherwise provided in this Charter, all other executive and administrative powers conferred by the laws of the State upon any municipal official shall be exercised by the Manager or persons designated by the Manager. The Manager shall be vested with discretion in the performance of his duties, and shall not be subject to direction or control by any member of the Council or any other person or persons. The Manager shall have the power to remove any officer whom he may appoint, or any employee of the City for whose duties or work the Manager is responsible, unless otherwise provided in this charter; Provided, however, That the Manager may exercise this power only with the consent of Council during the first six (6) months of

his employment.

SECTION 16. MANAGER CONTRACTS; RATIFICATION.

The Manager shall negotiate and enter into all contracts upon behalf of the City except as otherwise provided in this Charter or by ordinance. Such contracts to be negotiated and entered into by the Manager shall be within the limits of the budget, as determined by the purpose and subject matters of the contracts. If any such contract involves the expenditure of more than \$5,000.00, or the performance thereof extends beyond the budget year, or involves the expenditure of money not within the budget, such contract must be ratified by Council. The Manager shall report in writing to Council any negotiations and the terms of the contracts requiring their ratification, and the Council may in such cases alter, amend, ratify or reject any such contract. Any contract executed by the Manager on behalf of the City in violation of the terms of this section shall not be *binding upon* the City.

SECTION 17. EXECUTIVE AND **ADMINISTRATIVE** OFFICIALS;
QUALIFICATIONS, BOND.

The duties assigned to administrative officers shall be exercised under the supervision of the Manager. In all cases required by ordinance or in which the Manager may deem it advisable, the Manager shall take, of any person appointed, a bond payable to the City of Bridgeport. Such bond shall be conditioned on the faithful performance of the person's duties and in such amount as the Manager shall deem requisite. Such bonds shall be filed with the Director of Finance. No person shall be appointed in the executive or administrative services of the **City who has** been convicted of bribery, perjury, felony or other infamous crime. Residence within the City at the time of such **appointment shall not be a** necessary qualification for appointment **unless** the Constitution of the **State shall** provide otherwise. If the Manager or any other officer of the City **shall be a member, manager, officer or** stockholder of any partnership, business, firm or corporation, which by contract furnished material and supplies to the City or to any workman or contractor for the City, that shall not of itself constitute a disqualification for office under this Charter.

SECTION 18. COUNCIL SEATS FOR CITY OFFICERS; **RIGHTS.**

The Manager and such other officers of the City as may be **designated by** *vote of Council shall* be entitled to seats in Council Chambers. None of those officials shall have a vote,

but the Manager shall have the right to discuss any matter coming before the Council and the other officers shall be entitled to discuss any matter before the Council relating to their respective departments *and offices*.

SECTION 19. ELECTIONS.

A special City election of the Mayor, Recorder and members of Council shall be held on June 8, 1993. Regular City elections shall be held on the second Tuesday of June, 1995, and the second Tuesday of June of each odd year thereafter.

The conduct of all municipal elections shall be integrated with the system of "permanent registration of voters," and those provisions of Chapter Three of the West Virginia Code that integrate county-state elections with the "permanent registration system" are hereby incorporated by reference, to the extent reasonably applicable.

Except as otherwise provided herein, the provisions of general law with respect to the method and time for the filing of certificates of candidacy, conducting elections, and determining and certifying the results of such elections, shall apply to City elections.

All City elections shall be nonpartisan. Any person who is eligible to hold and **seeks** to hold the office of Mayor, Recorder, or member of Council **shall file** with the City Recorder at least sixty (60) days before the election, a certificate declaring *candidacy for such office*, accompanied by a \$25.00 filing fee, which certificate shall be in form and effect as follows:

I~ hereby
certify that I **am** a candidate for the office of [Mayor,
Recorder, or member of Council] of the City of
Bridgeport, and desire my name to be printed on the
official ballot of the City of Bridgeport to be voted
at the election to be held on the _____ day
of _____, 19 ____; that I am a legally qualified
voter of the City of Bridgeport; that my residence is
_____ in the City of
Bridgeport; that I am eligible to hold that office; and
that I am a candidate for that office in good faith.

Candidate

SECTION 20. RECALL OF MAYOR, RECORDER OR MEMBER OF COUNCIL.

The Mayor, Recorder or any member of Council may be removed from office by the following procedure: a petition signed by at least ten percent of the qualified voters of the City shall be filed with the Recorder, which petition shall contain a general statement of the grounds for which the removal is sought. The petition shall be accompanied by a bond in an amount determined by the Recorder to equal the cost of the recall election with sufficient surety condition to pay the cost of the recall election if a majority of the legal votes cast are against the recall. Such petition and bond shall be submitted to, examined and certified by the Recorder, and if such petition be deemed sufficient by the Recorder, the Recorder shall certify the same to the City Council without delay. Upon receipt of such petition the Council shall order and fix a date for holding a special recall election, not less than thirty days nor more than fifty days from the date of the Recorder's certificate. The Council shall publish notice of the election once a week for three successive weeks in two newspapers of general circulation in the City. The ballot for such recall election shall be substantially of the following form and effect:

OFFICIAL BALLOT

_____ day of _____, 19
Special recall election for the removal of _____

For the **recall of** _____
Against the recall of _____

Should **a majority of the votes** cast be in favor of recall the person recalled shall forthwith forfeit his office and the Council shall, at its next meeting following the recall election, appoint a successor to such office for the unexpired term of **same**.

The method of removal shall be cumulative and in addition to any other methods of removal provided by law. No recall petition *shall be filed* within ninety days succeeding or preceding any regular Council election.

SECTION 21. CONTINUATION OF DEPARTMENTS.

The existing departments, commissions, boards and other branches of the City government are continued, unless changed by the provisions of this Charter or by ordinance of the Council.

Except as established by the provisions of this Charter., the Council may change, abolish, combine and rearrange the departments, commissions, boards and other **branches of the City government** provided for in the administrative code, but an ordinance creating, combining, abolishing or decreasing the powers of any department, commission, board of other branch, shall require a vote of a majority plus one of the members elected to Council.

SECTION 22. APPOINTMENTS BY MAYOR.

Unless otherwise provided by this Charter or by Ordinance, the appointments to be made by the Mayor shall be made with the advice and consent of the Council, *and such appointees shall serve at the pleasure of council.*

SECTION 23. CITY DIRECTOR OF FINANCE.

The **Manager shall** appoint, and may discharge, a City Director of Finance who **shall serve as chief** financial advisor to the Council and the Manager. The Director of Finance shall review the budget with Council and the Manager at least quarterly and shall perform such duties as may be prescribed by ordinance and law, consistent with the office.

SECTION 24. CHIEFS OF POLICE AND FIRE DEPARTMENTS.

The Manager shall appoint, and may discharge, the Chief of Police and the Chief of the Fire Department.

SECTION 25. **CITY ATTORNEY; ASSISTANT CITY ATTORNEYS.**

The Manager shall appoint, and may discharge, a City Attorney, who **need** not be a resident of the City of Bridgeport. No person shall be eligible to the office who is not an attorney-at-law, duly admitted to practice in this State. The City Attorney shall **serve** the Council, officers, commissioners, and boards of the City as legal counsel and attorney, and shall represent *the* City in all proceedings in Court. The City Attorney may employ such assistant City Attorneys as are from time to time authorized by council. The Manager may employ special counsel when such employment is authorized by council.

SECTION 26. SUPERINTENDENT OF PUBLIC WORKS.

The Manager shall appoint and may discharge a Superintendent of Public Works who shall supervise the personnel and procedures of the various sections of the Public Works Department, including the Water Plant, the Water *Department and* the Street Department and perform such other duties as Council may prescribe by Ordinance or are assigned by the Manager.

SECTION 27. DIRECTOR OF RECREATION.

The Manager shall appoint and may discharge a Director of Recreation who shall be in charge of the recreation programs of the City and all playgrounds, recreation centers and recreation facilities of the City and shall perform such other duties as Council may provide by ordinance or be assigned by the Manager.

SECTION 28. DIRECTOR OF LIBRARY SERVICES.

The manager shall appoint, and may discharge, a Director of Library Services who shall hold a Masters Degree in Library Science and who shall be in charge of all library facilities of the City and shall perform such other duties as Council may provide by ordinance and such duties as shall be assigned by the Manager.

SECTION 29. APPOINTMENT OF MUNICIPAL COURT JUDGE.

The Manager shall appoint and may discharge, a Judge of Municipal Court, from among the members of the Harrison County Bar, who need not be a resident of the City of Bridgeport.

SECTION 30. **JUDGE** TO APPOINT CLERK.

The Judge of the Municipal Court shall appoint a Clerk of the Municipal Court who shall have the powers and duties set forth in Section 34 of the Charter.

SECTION 31. DUTIES OF **MUNICIPAL COURT JUDGE**; TEMPORARY JUDGE.

The Judge of **the** Municipal Court shall **preside** over that Court and try and determine all cases over which that court has jurisdiction. In the event of the Judge's temporary absence or disability, the Manager shall appoint a member of the Harrison County Bar to preside over the Court, and perform the duties of the Judge thereof, during the absence or disability of the

regular Judge, and the Judge's salary shall be transferred to and paid to the temporary Judge for the time of service as such Judge.

SECTION 32. JURISDICTION OF MUNICIPAL COURT.

The Judge of the Municipal Court shall have jurisdiction over all offenses against, or violation of, the ordinances of the City, and full authority to punish in any manner lawfully prescribed by such ordinances, the offenders against or violators of the same.

The Judge of the Municipal Court shall have the same misdemeanor criminal jurisdiction and powers within the City of Bridgeport as is now provided by law for magistrates elected in Harrison County.

SECTION 33. PROCEEDINGS IN MUNICIPAL COURT.

The proceedings for the recovery of the fines or for the enforcement of the penalty prescribed by any ordinance shall conform to the regulations, so far **as** they are applicable; prescribed in the Code of West Virginia for proceedings before magistrates.

SECTION 34. ENFORCEMENT OF MUNICIPAL COURT ORDERS; JUDGMENTS; EXECUTION OF PROCESS; FEES.

The Court shall have full power and authority to enforce its orders and judgments, by any process of law which may be necessary and proper for the purpose, and all processes, executions and orders of the Court shall be signed by the Judge or Clerk thereof. Such process and executions shall be directed to the Chief of Police. In the execution of any **process or order** of the Court, the Chief of Police or officer shall have the **same** powers, be governed in these proceedings by the same rules of law, and be subject to the **same** liabilities as the Sheriff of Harrison County, West Virginia, in the performance of like services. There may be charged for the **services of such** officer the **same** fees as the Sheriff is entitled to *charge* for like services, but all such **fees, as** well as all fines imposed *by the Court*, shall be collected by the Police Department, and accounted for and paid by the Chief of Police to the Finance Director of the City. The **City shall in no event be liable for** any such fees.

SECTION 35. POWERS AND DUTIES OF MUNICIPAL COURT CLERK; FEES.

The Clerk of the Court **shall** have authority to administer oaths within the City *and shall perform* such duties as may be required by the Judge of the Court, or be prescribed by rule or order of the Council. Such Clerk may charge the same fees for the **Clerk's services as are** now allowed to be charged by magistrates for like services, and such fees shall be collected; but all such fees shall be accounted for by the Clerk to the City and paid over to its Finance Director.

SECTION 36. MUNICIPAL COURT RECORDS AND CERTIFICATES; EFFECT; SEAL.

A docket and other books required for the records and a seal shall be provided for the Court by the Council, and the seal may be altered or renewed as the Court may direct. Full faith and credit shall be given to the records of the Court, and the certificates of its Judge or Clerk, whether the **seal** of the Court be affixed thereto or not, in like manner and with the same effect as if the **same were records of** the Circuit Court or certificates of the Judge of a Circuit Court similarly authenticated.

SECTION 37. PAYMENT OF MUNICIPAL COURT COSTS.

The Municipal Court shall **have** power, upon rendering judgment **against** a defendant charged with the violation of an ordinance of the City, to render judgment against the defendant also **for** the cost of prosecution.

SECTION 38. **APPEALS FROM MUNICIPAL COURT: BOND.**

From the judgment of the Municipal Court in any case in which **there** is unpaid a fine of ten dollars or more, or imprisonment, or both, or in any case involving the validity of **an ordinance of the City, an appeal shall lie as** a matter of right, to the Circuit Court of Harrison County, either on behalf of the defendant or *the City*, and in any case where a fine is imposed, on demand of the defendant, such fine must be fixed at not less than ten dollars, so that such **appeal** may be taken; but no defendant shall be entitled to such **appeal** until and unless the defendant executes before the Municipal Court, or its Clerk, bond in such penalty, not exceeding five hundred dollars, as the Municipal Court may prescribe, conditioned for the performance of the judgment or order of the Circuit Court of the County made or rendered upon such appeal. Every such bond shall be with security approved by the Municipal Court or its Clerk; but in any case in which an appeal is taken or granted on behalf of *the*

City, no bond or security shall be required. Every such appeal shall be proceeded within the Circuit Court in the same manner as is provided by law for the proceedings in such Circuit Court, in cases appealed from Magistrates. If, on such appeal, judgment be against the appellant, it shall also be against the sureties on the appeal bond for costs, and for any fine or pecuniary penalty adjudged against the defendant. No such appeal shall be allowed after ten days from the date of any final order or judgment desired to be appealed from.

SECTION 39. ANNUAL AUDIT OF BOOKS AND ACCOUNTS; **PUBLICATION.**

At the end of each fiscal year the City Council shall cause a full and complete examination of all the books and accounts of the City to be made by the West Virginia State Tax Department, Division of Tax and Revenue, or its successors, or by other competent accountants. The Finance Director shall publish such reports as are required by law.

SECTION 40. **AUDIT OF BOARDS AND COMMISSIONS.**

All boards and commissions of the City of **Bridgeport** that receive or disburse money independent of the City Finance Department shall **be audited** by an **independent** certified public accountant and the audit report shall be filed with the Director of Finance not later than **90 days after** the end of the fiscal year of the board or commission.

SECTION 41. **FISCAL YEAR FIXED BY ORDINANCE.**

Unless otherwise provided by law the fiscal year of the City **of Bridgeport shall be fixed** by **ordinance.**

SECTION 42. **GENDER.**

The masculine gender has been used herein for convenience only and shall **be** deemed where appropriate to include the feminine and neuter.

SECTION 43. **SEPARABILITY.**

The provisions of this charter shall **be** construed as severable, and should *any provision* be held unconstitutional, or for any other reason invalid, such holding shall in no way affect any other provision thereof.

SECTION 44. EXISTING ORDINANCES, RULES, REGULATIONS AND
PRACTICES TO CONTINUE: INCONSISTENT ORDINANCES,
RULES, REGULATIONS AND PRACTICES REPEALED

All existing ordinances and all existing rules, regulations and practices, if not inconsistent or in conflict with this charter, shall continue in full force and effect until repealed or modified by competent authority. All ordinances, rules, regulations and practices that are inconsistent or in conflict with this charter are hereby repealed to the **extent of** such inconsistency **or conflict**.

SECTION 45. EFFECTIVE DATE OF CHARTER.

For the purpose of nominating candidates and conducting the first election held hereunder, this charter shall be in effect from and after the date of its adoption by the voters of the city. For all other purposes it shall be in effect on and after the first **day** of July next following the first election held under its provisions.

Oath of Office and Certificate

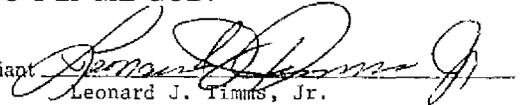
State of West Virginia, }

Harrison County, to-wit:

I do so|einnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that will faithfully discharge the dillies of the office of Mavor of the City of Bridgeport

to the best of my skill and judgment: SO 1 LP ME GOD.

Signature of Affiant


Leonard J. Timms, Jr.

Subscribed and sworn to before me, in said County and State, this. 9th day of
July

2001



Oath of Office and Certificate

State of West Virginia,
Harrison County, **to-wit:**

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the ^{dui}ties of the office of Council Member for the City of Bridgeport

to the best of my skill and judgment: SO ILELP ME GOD.

Signature of Affiant John L. Westfall
John L. Westfall

Subscribed and sworn to before me, in said County and State, this 9th day of

2001

Thomas A. Bedell

Thomas A. Bedell

Oath of Office and Certificate

State of West Virginia,

Harrison County, **to-wit:**

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the dillies ^{or} the office of Council Member for the City of Bridgeport

to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiant *Ruth J. Allen*
Ruth J. Allen

Subscribed and sworn to before me, in said County and State, this 9th day of
July 2001

Oath of Office and Certificate

State of West Virginia,
Harrison **County, to-wit:**

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Council Member for the City of Bridgeport

to the best of my skill and judgment: SO I- ELP ME GOD

Signature of Affiant 
Harry M. Murray II

Subscribed and sworn to before **me, in said** County and State, this 9th day of
July

2001



Oath of Office and Certificate

State of West Virginia,

Harrison County, to-wit:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of

1 am!-_E^r

port

to the best of my skill and judgment: SO =JP ME GOD.

Signature of Affiant C

L_~pr_{int}
E

Conley
A-V

Subscribed and sworn to before me, in said County and State, this_

day of

Bedell
A. Bedell
dge

Oath of Office and Certificate

State of West Virginia,
Harrison County, **to-wit:**

I do solemnly swear that I will support the Constitution of the United States
and the Constitution of the State of West Virginia, and that I will faithfully discharge
the duties of the office of

dge."~Qr

to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiant Andre Q. Rivers
A

Subscribed and sworn to before me, in said County and State, this... .. 1~T day of

Thomas A. Beckell
THOMAS A. Beckell

Oath of Office and Certificate

State of West Virginia, }

Harrison County, to-wit:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of 1 n

City of Bridgeport

to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiant

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Subscribed and sworn to before me, in said County and State, this 1 day of

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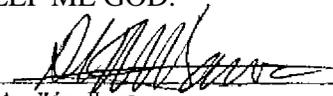
Oath of Office and Certificate

State of West Virginia,
Harrison County, to-wit:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of City Manager of the City of Bridgeport

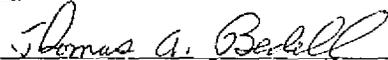
to the best of my skill and judgment: **SO IELP ME GOD.**

Signature of Affiant


A. Kim Haws

Subscribed and sworn to before me, in said County and State, this 8th day of

March, 19 99



CITY OF BRIDGEPORT
 NOTICE OF PUBLIC
 HEARING, ON BOND
 ORDINANCE

A public hearing will be held on the following Ordinance at a regular meeting of the Council of the City of Bridgeport (the "City") to be held on Monday, January 12, 2004 at 7:00 p.m. prevailing time in the District Courtroom at City Hall in Bridgeport.

and it shall take such action as it shall deem proper in the premises upon an Ordinance entitled:

AN ORDINANCE SUPPLEMENTING AND AMENDING AN ORDINANCE OF THE CITY OF BRIDGEPORT ENACTED AUGUST 24, 1998, AS SUPPLEMENTED BY A SUPPLEMENTAL RESOLUTION ADOPTED AUGUST 24, 1995; AMENDING THE INTEREST RATE PAYABLE ON THE CITY'S SEWER REFUNDING REVENUE BONDS, SERIES 1998 AND THE FINAL MATURITY DATE THEREOF, PROVIDING FOR THE REISSUANCE OF SUCH BONDS AND MAKING OTHER PROVISIONS AS TO SUCH BONDS.

The above-entitled Ordinance was introduced at the City Council meeting on December 15, 2003. The Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The City contemplates the reissuance of the Bonds described in said Ordinance. The purpose of the issuance of the Bonds is to achieve interest cost savings. The Bonds are payable solely from revenues of the City's public sanitary sewer system. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

A certified copy of the aforesaid Ordinance is in the files of the City Clerk. The City Clerk is hereby interested or prejudicially affected in the matter.

The Council intends to enact said Ordinance.

Done at Bridgeport, West Virginia, this 11th day of December, 2003.

 Lawson
 City Clerk

PUBLISHER'S CERTIFICATE

vs.

STATE OF WEST VIRGINIA,
 COUNTY OF HARRISON

SARA V. SHINGLETON

I, _____
 Classified Manager of THE EXPONENT-TELEGRAM, a newspaper of general circulation published in the City of Clarksburg, County and State aforesaid, do hereby certify that the annexed

CITY OF BRIDGEPORT

was published in said THE EXPONENT-TELEGRAM once a week for 2 successive weeks, commencing on the ai day of Der.embPir 20nn and ending on the 7 day of January 20 04

The publisher's fee for said publication is \$ 60.64

Given under my hand this 14 day of January 20 04

 Classified Manager of The Exponent-Telegram



Subscribed and sworn to before me this 14 day of January, 20 04

 Notary Public in and for Harrison County, WV

My commission expires on the _____ day of _____, 20____)CR

Form CA-15 E

December 8, 2003

BRIDGEPORT CITY COUNCIL MINUTES

City of Bridgeport
County of Harrison
State of West Virginia

Bridgeport City Council met in **regular session** Monday, December 8, 2003, at 7:00 p.m. in council chambers of the Bridgeport Municipal Complex, 515 West Main Street.

COUNCIL MEMBERS PRESENT:

Acting Mayor Michael D. Conley, Recorder Pro Tern Charles C. Lindsey, Ruth J. Allen, Harry M. Murray III, and Andrew J. Pomeroy.

COUNCIL MEMBER(S) ABSENT:

Mayor Leonard J. Timms, Jr. and John L. Westfall.

CITY STAFF PRESENT:

City Manager A. Kim Haws, City Attorney Dean C. Ramsey, City Clerk Judy Lawson, Finance Director Keith Boggs, Police Chief Jack Clayton, Lt. Roy Collins, Lt. Carl Springer, Police Officer Douglas Betler, and Police Officer Mark Norman.

OTHERS ATTENDING:

Mrs. Roy Collins, family members of the police officers, and the news media.

INVOCATION AND PLEDGE OF ALLEGIANCE:

The Invocation was given by Acting Mayor Conley, followed by the Pledge of Allegiance.

APPROVAL OF MINUTES:

Minutes of the November 24, 2003, council meeting were unanimously approved on a motion by Council Member Allen, seconded by Council Member Murray.

MAYOR'S REPORT:

None.

CITY MANAGER'S REPORT:

City Manager Haws discussed plans for the intersection that will be created on Route 24 and Lodgeville Road when the Lodgeville Road work is completed.

He also advised Council that a contractor is in the process of removing the debris from a blocked culvert that caused the recent flooding in the area of Ventura Drive.

BRIDGEPORT CITY COUNCIL MINUTES

December 8, 2003

Page Two

PUBLIC COMMENTS:

Acting Mayor Conley presented life saving commendation medals to Officers Douglas K. Betler and D. Mark Norman for their actions in the rescue of an invalid citizen from a house fire in the City of Bridgeport on March 13, 2003.

AMEND AGENDA:

A motion was made by Council Member Allen to amend the agenda to include and approve a resolution authorizing the City Manager to apply to the West Virginia Department of Transportation for a 2003 Transportation Enhancement Grant. Motion was seconded by Council Member Murray and unanimously approved.

UNFINISHED BUSINESS:

None.

NEW BUSINESS:

Item 1. A motion was made by Council Member Pomeroy to approve first reading of an ordinance supplementing and amending an ordinance of the City of Bridgeport enacted August 26, 1996, as supplemented by a supplemental resolution adopted September 23, 1996; amending the interest rate payable on the City's water revenue bonds, series 1996 and the final maturity date thereof; providing for the reissuance of such bonds and making other provisions as to such bonds. Motion was seconded by Council Member Allen and unanimously approved.

Item 2. A motion was made by Acting Recorder Lindsey to approve first reading of an ordinance supplementing and amending an ordinance of the City of Bridgeport enacted August 24, 1998, as supplemented by a supplemental resolution adopted August 24, 1998; amending the interest rate payable on the City's sewer refunding revenue bonds, series 1998 and the final maturity date thereof; providing for the reissuance of such bonds and making other provisions as to such bonds. Motion was seconded by Council Member Murray and unanimously approved.

Item 3. Council Member Pomeroy made a motion to approve Water Fund Budget Revision #3 for Fiscal Year 2003-2004. Motion was seconded by Council Member Allen and unanimously approved.

EXECUTIVE SESSION:

None.

ADJOURNMENT:

Meeting adjourned at 7:20 p.m. on a motion by Council Member Pomeroy, seconded by Council Member Allen, and unanimously approved.

BRIDGEPORT CITY COUNCIL MINUTES

December 8, 2003

Page Three



MAYOR



RECORDER

(Recording of meeting available on Tape #CM12-8-03)

December 22, 2003

BRIDGEPORT CITY COUNCIL MINUTES

City of Bridgeport
County of Harrison
State of West Virginia

Bridgeport City Council met in **regular session** Monday, December 22, 2003, at 7:00 p.m. in council chambers of the Bridgeport Municipal Complex, 515 West Main Street.

COUNCIL MEMBERS PRESENT:

Mayor Leonard J. Timnis, Jr.; Recorder Michael D. Conley; Councilors Ruth J. Allen, Charles C. Lindsey, Harry M. Murray III, Andrew J. Pomeroy, and John L. Westfall.

COUNCIL MEMBER(S) ABSENT:

None.

CITY STAFF PRESENT:

City Manager A. Kim Haws and City Clerk Judy Lawson.

OTHERS ATTENDING:

Jeff Toquinto of the Bridgeport News and Clarksburg Exponent/Telegram.

INVOCATION AND PLEDGE OF ALLEGIANCE:

The Invocation was given by Recorder Conley, followed by the Pledge of Allegiance.

APPROVAL OF MINUTES:

Minutes of the December 8, 2003, council meeting were unanimously approved on a motion by Council Member Allen, seconded by Council Member Murray.

MAYOR'S REPORT:

Mayor Timms discussed the resignation of City Engineer Dan Ferrell.

The Mayor advised Council that the City received notification from the Department of Transportation that Comair is terminating its service to the Harrison-Marion Regional Airport due to low usage of the flights.

CITY MANAGER'S REPORT:

City Manager Haws advised Council that the City received notification of award of an additional \$300,000 for another phase of the streetscape project.

The City Manager also discussed the speed humps on Lawman Avenue and whether they appear to be diminishing speeding in the area.

BRIDGEPORT CITY COUNCIL MINUTES

December 22, 2003

Page Two

PUBLIC COMMENTS:

None.

UNFINISHED BUSINESS:

Item 1. A motion was made by Council Member Lindsey to approve second reading of an ordinance supplementing and amending an ordinance of the City of Bridgeport enacted August 26, 1996, as supplemented by a supplemental resolution adopted September 23, 1996; amending the interest rate payable on the City's water revenue bonds, series 1996 and the final maturity date thereof; providing for the reissuance of such bonds and making other provisions as to such bonds. Motion was seconded by Council Member Pomeroy and unanimously approved.

Item 2. A motion was made by Council Member Westfall to approve second reading of an ordinance supplementing and amending an ordinance of the City of Bridgeport enacted August 24, 1998, as supplemented by a supplemental resolution adopted August 24, 1998; amending the interest rate payable on the City's sewer refunding revenue bonds, series 1998 and the final maturity date thereof; providing for the reissuance of such bonds and making other provisions as to such bonds. Motion was seconded by Council Member Allen and unanimously approved.

NEW BUSINESS:

Item 1. A motion was made by Council Member Murray to approve the reappointments of Mike Shaffer and Gene Larosa to the Bridgeport Board of Zoning Appeals. Motion was seconded by Recorder Conley and unanimously approved.

Item 2. Council Member Lindsey made a motion to approve the list of election officials for the February 21, 2004, levy election as presented. Motion was seconded by Council Member Allen and unanimously approved.

Item 3. A motion was made by Council Member Westfall to approve the low bid of Posey Electric for the installation of electrical heat tape at City Hall. Motion was seconded by Council Member Allen and unanimously approved.

Item 4. There were no budget revisions.

EXECUTIVE SESSION:

At 7:18 p.m. a motion was made by Council Member Allen to adjourn from regular session and enter into executive session to discuss personnel matters. Motion was seconded by Council Member Westfall and unanimously approved. No action was taken.

BRIDGEPORT CITY COUNCIL MINUTES

December 22, 2003

Page Three

ADJOURNMENT:

At 8:30 p.m. a motion was made by Council Member Westfall to return to regular session and adjourn. Motion was seconded by Council Member Lindsey and unanimously approved.



MAYOR


RECORDER

(Recording of meeting available on tape #cml2-22-03)

January 12, 2004

BRIDGEPORT CITY COUNCIL MINUTES

City of Bridgeport
County of Harrison
State of West Virginia

Bridgeport City Council met in **regular session** Monday, January 12, 2004, at 7:00 p.m. in council chambers of the Bridgeport Municipal Complex, 515 West Main Street.

COUNCIL MEMBERS PRESENT:

Mayor Leonard J. Timms, Jr.; Recorder Michael D. Conley; Councilors Ruth J. Allen, Charles C. Lindsey, Harry M. Murray III, Andrew J. Pomeroy, and John L. Westfall.

COUNCIL MEMBER(S) ABSENT:

None.

CITY STAFF PRESENT:

City Manager A. Kim Haws, City Attorney Dean C. Ramsey, City Clerk Judy Lawson, Police Chief Jack Clayton, Fire Chief John Vanlandingham, Finance Director Keith Boggs, and Personnel Director James Smith.

OTHERS ATTENDING:

Jeff Toquinto of the Bridgeport News and Clarksburg Exponent/Telegram.

INVOCATION AND PLEDGE OF ALLEGIANCE:

The Invocation was given by Recorder Conley, followed by the Pledge of Allegiance.

APPROVAL OF MINUTES:

Minutes of the December 22, 2003, council meeting were unanimously approved on a motion by Council Member Lindsey, seconded by Council Member Murray.

MAYOR'S REPORT:

The WVDOH has completed inspection of the Lawman Avenue Bridge and there is no need to decrease the six-ton weight limit.

The WV Public Service Commission has forwarded the water extension project for Charles Pointe and the hospital to the Administrative Law Judge and a decision should be received by June, 2004.

The bond closing for the reissuing the water and sewer bonds will be held Thursday, January 15, at 3:30 p.m. at Bridgeport City Hall.

BRIDGEPORT CITY COUNCIL MINUTES

January 12, 2004

Page Two

A ribbon cutting will be held tomorrow for the USA Martial Arts Training Center at 543 East Main Street.

A reception will be held at the Library Tuesday, January 20, from 6:30 p.m. to 8:00 p.m. to celebrate the Library's #1 HAPLR ranking and the public is invited.

CITY MANAGER'S REPORT:

Police Chief Clayton is also serving as Fire Chief until a replacement is hired for former Fire Chief Vanlandingham.

The City has received no response from the correspondence sent to the WVDOH concerning the Main Street/Virginia Avenue Intersection.

The GBCVC received a cash settlement from the dissolution of the Bridgeport-Clarksburg Conference and Visitor's Bureau.

The City has hired Cheryl Cummings to fill the position of Tax and License Supervisor.

PUBLIC COMMENTS:

None.

UNFINISHED BUSINESS:

Item 1. A public hearing was held to consider adoption of an ordinance supplementing and amending an ordinance of the City of Bridgeport enacted August 26, 1996, as supplemented by a supplemental resolution adopted September 23, 1996; amending the interest rate payable on the City's water revenue bonds, series 1996 and the final maturity date thereof; providing for the reissuance of such bonds and making other provisions as to such bonds. There were no public comments.

Item 2. A motion was made by Council Member Murray to approve and adopt on third and final reading an ordinance supplementing and amending an ordinance of the City of Bridgeport enacted August 26, 1996, as supplemented by a supplemental resolution adopted September 23, 1996; amending the interest rate payable on the City's water revenue bonds, series 1996 and the final maturity date thereof; providing for the reissuance of such bonds and making other provisions as to such bonds. Motion was seconded by Council Member Westfall and unanimously approved.

Item 3. A public hearing was held to consider adoption of an ordinance supplementing and amending an ordinance of the City of Bridgeport enacted August 24, 1998, as supplemented by a supplemental resolution adopted August 24, 1998; amending the interest rate payable on the City's sewer refunding revenue bonds, series 1998 and the

BRIDGEPORT CITY COUNCIL MINUTES

January 12, 2004

Page Three

final maturity date thereof; providing for the reissuance of such bonds and making other provisions as to such bonds. There were no public comments.

Item 4. A motion was made by Council Member Allen to approve and adopt on third and final reading an ordinance supplementing and amending an ordinance of the City of Bridgeport enacted August 24, 1998, as supplemented by a supplemental resolution adopted August 24, 1998; amending the interest rate payable on the City's sewer refunding revenue bonds, series 1998 and the final maturity date thereof; providing for the reissuance of such bonds and making other provisions as to such bonds. Motion was seconded by Council Member Lindsey and unanimously approved.

NEW BUSINESS:

Item 1. Council Member Murray made a motion to approve Water Fund Budget Revision #4 for fiscal year 2003-2004. The motion was seconded by Council Member Westfall and unanimously approved.

Item 2. Council Member Westfall made a motion to approve Cemetery Fund Budget Revision #2 for fiscal year 2003-2004. Motion was seconded by Council Member Allen and unanimously approved.

Item 3. A motion was made by Council Member Allen to change the January 26 council meeting to Tuesday, January 27, due to a conflict with the West Virginia Municipal League Mid-Winter Conference in Charleston. Motion was seconded by Council Member Pomeroy and unanimously approved.

Item 4. There were no additional budget revisions.

EXECUTIVE SESSION:

At 7:20 p.m. a motion was made by Council Member Allen to adjourn from regular session and enter into executive session to discuss personnel matters. Motion was seconded by Council Member Murray and unanimously approved. No action was taken.

ADJOURNMENT:

At 8:05 p.m. a motion was made by Council Member Murray to return to regular session and adjourn. Motion was seconded by Council Member Lindsey and unanimously approved.


MAYOR

RECORDER ~ ~ ~

(Recording of minutes available on tape #cml-12-04)

STEPTOE & JOHNSON

ATTORNEYS AT LAW

Clarksburg Charleston Morgantown Martinsburg Wheeling Parkersburg

Bank One Center, Sixth Floor

P.O. Box 2190

Clarksburg, WV 26302-2190

(304) 624-8000 (304) 624-8183 Fax

www.steproelaw.com

Writer's Contact Information

January 15, 2004

City of Bridgeport
Sewer Refunding Revenue Bonds, Amended Series 1998

City of Bridgeport
Bridgeport, West Virginia

WesBanco Bank, Inc.
Bridgeport, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Bridgeport (the "Issuer") of its \$634,560 in aggregate principal amount of Sewer Refunding Revenue Bonds, Amended Series 1998 (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 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on August 24, 1998, as supplemented by a Supplemental Resolution duly adopted by the Issuer on August 24, 1998 and as amended by an Amendatory Ordinance duly enacted by the Issuer on January 12, 2004 (collectively, the "Ordinance") for the purpose of amending certain terms of the Issuer's Sewer Refunding Revenue Bonds, Series 1998, dated August 25, 1998 (the "Original Bonds") and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Ordinance when used herein.

The Bonds are originally issued in the form of one bond, numbered R-1, in fully registered form, and bear interest at the rate of 3.90%, per annum, subject to a higher rate of 7.9825% per annum in the event of a "Determination of Taxability" (as defined in the Bonds). The interest on and principal of the Bonds are payable semiannually on April 1 and October 1 of each year, commencing April 1, 2004,

CL902236.2



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and ending April 1, 2012. The Bonds are subject to prepayment in whole or in part at any time, without penalty.

The Ordinance provides that the Original Bonds are issued for the purposes of refunding the Issuer's outstanding Sewer Revenue Bonds, Series A and Series B, dated April 1, 1977 (the "Prior Bonds"), and to pay costs of issuance of the Bonds and related costs.

The Bonds have been reissued to WesBanco Bank, Inc., Bridgeport, West Virginia (the "Purchaser"), following a negotiated agreement resulting in a lower interest rate and a shorter maturity than set forth in the Original Bonds.

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Ordinance and in the certified proceedings and other certifications of certain public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer and the Escrow Agent pertaining to tax matters set forth in the Ordinance and the Escrow Agreement and in certain certificates delivered in connection with the issuance of the Bonds, we are of the opinion, under existing law, that:

1. The Issuer is a duly organized and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to enact the Ordinance, perform its obligations under the terms and provisions thereof and to issue and sell the Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively enacted the Ordinance and has issued and delivered the Bonds to the Purchaser. The Ordinance is in full force and effect as of the date hereof and constitutes a valid and binding obligation of the Issuer enforceable in accordance with its terms.

3. The Bonds, subject to the terms thereof, constitute valid and legally enforceable limited obligations of the Issuer, payable and enforceable in accordance with their terms and the terms of the Ordinance, and are entitled to the benefits of the Ordinance and the Act, on a parity, with respect to liens, pledge and source of and security for payment with the Issuer's outstanding Sewer Revenue Bonds, Series 1995 (West Virginia SRF Program), and Sewer Revenue Bonds, Series 1994 (West Virginia SRF Program).

4. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds (a) is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder (the "Code") and (b) is not an item of tax preference for purposes of the federal alternative minimum tax

imposed upon individuals and corporations under the Code. It should be noted, however, that interest on the Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Bonds set forth in the Ordinance and in certain certificates delivered in connection with the issuance of the Bonds. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds except as expressly set forth in paragraph 7.

5. Under the Act, the Bonds are 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 income taxes imposed directly thereon by the State of West Virginia.

6. The Issuer has designated the Bonds as "qualified tax-exempt obligations" for purposes of the Code, and has covenanted that it does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligations) during the calendar year 2004. Therefore, the Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

It is to be understood that the rights of the holders of the Bonds and the enforceability of liens, pledges, rights or remedies with respect to the Bonds and the Ordinance are subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally, and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

City of Bridgeport, et al.
Page 4

We have examined the executed and authenticated Bond No. R-1 of said issue, and in our opinion, said Bond is in proper form and has been duly executed and authenticated.

Very truly yours,

ry

p~~.G

STEPTOE & JOHNSON PLLC

01/14/04
102350.00003

General Certificate of City

CITY OF BRIDGEPORT

Sewer Refunding Revenue Bonds, Amended Series 1998

GENERAL CERTIFICATE OF THE CITY OF BRIDGEPORT ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. PUBLICATION AND NO PROTEST
5. SALE OF BONDS; SIGNATURES
6. DELIVERY AND PAYMENT
7. CERTIFICATION OF DOCUMENTS
8. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
9. MEETINGS, ETC.
10. INCUMBENCY AND OFFICIAL NAME
11. DESIGNATION OF REGISTRAR, DEPOSITORY BANK AND PAYING AGENT
- 12. SPECIMEN BOND**
13. CONFLICT OF INTEREST

We, the undersigned MAYOR, CITY MANAGER AND RECORDER of the City of Bridgeport (the "Issuer"), and the undersigned COUNSEL to the Issuer, hereby certify in connection with the \$634,560 aggregate principal amount of the City of Bridgeport Sewer Refunding Revenue Bonds, Amended Series 1998 (the "Bonds" or the "Amended Series 1998 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 on August 24, 1998, as supplemented by a Supplemental Resolution duly adopted on August 24, 1998 and as amended by an Amendatory Ordinance duly enacted on January 12, 2004 (collectively, the "Ordinance").

2. **NO LITIGATION:** No controversy or litigation of any nature is now pending or threatened, restraining, enjoining, or affecting in any manner the issuance and delivery of the Bonds or the collection of the Revenues of the System or the pledge thereof to the payment of the principal of and interest on the Bonds, nor in any manner questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Bonds nor in any manner affecting the validity or enforceability of the Bonds or the Ordinance; nor in any manner questioning the valid existence of the Issuer or the Sanitary

Board or the authority or titles of the Mayor, City Manager, Recorder and the members of the Council and other officials of the Issuer or the Sanitary Board to their respective offices; nor in any manner questioning any proceeding, procedure, action or thing followed, taken or done in connection with the Bonds or the refunding of the Prior Bonds.

3. **GOVERNMENTAL APPROVALS:** All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect.

4. **PUBLICATION OF NOTICES:** Notices of the public hearing upon the Ordinance were duly published as required by law. There was no protest to the passage of the Ordinance, and the Ordinance, as amended, became fully effective on January 12, 2004, and remains in full force and effect.

5. **SALE OF BONDS; SIGNATURES:** The Bonds were reissued to WesBanco Bank, Inc., Bridgeport, West Virginia (the "Purchaser"), at the price of \$634,560 (100% of par value), there being no interest accrued thereon. As of the date hereof, the Bonds were duly signed by the manual signature of the Mayor and the City Manager, and the official seal of the Issuer, which seal is impressed upon this Certificate, was impressed or imprinted thereon and attested by the manual signature of the Recorder.

6. **DELIVERY AND PAYMENT:** The undersigned Mayor did, on the date hereof, deliver to the Purchaser, the entire issue of the Bonds, consisting upon original issuance of a single Bond, numbered R-1, dated the date hereof. At the time of delivery of the Bonds, the Purchaser surrendered to the Issuer the City of Bridgeport Sewer Refunding Revenue Bonds, Series 1998, dated August 25, 1998 (the "Original Bonds"). The Bonds are issued in substitution for the Original Bonds.

7. **CERTIFICATION OF DOCUMENTS:** There are delivered herewith true and correct copies of the following documents, all which remain in full force and effect and have not been amended, modified, supplemented or repealed unless changed by the terms of other documents listed below:

Bond Ordinance

Supplemental Resolution

Amendatory Ordinance

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

Minutes on Enactment of Amendatory Ordinance

Bank Commitment Letter

Bank Investment Letter

8. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer or the sewerage system since the acceptance of the commitment letter from the Purchaser by the Issuer.

The Amended Series 1998 Bonds are issued on a parity with the Series 1995 Bonds and the Series 1994 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 set forth in the Series 1995 Bonds, the Series 1994 Bonds, the 1995 Ordinance and the 1994 Ordinance 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 Original Bonds, the Issuer obtained the written consent of the Holders of the Series 1995 Bonds and the Series 1994 Bonds to the issuance of the Original Bonds on a parity with the Series 1995 Bonds and the Series 1994 Bonds. Other than the Bonds, the Series 1995 Bonds and the Series 1994 Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

9. 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 or refunding of the Prior Bonds were authorized or adopted at meetings of the Council of the Issuer duly and regularly called and held pursuant to the City Charter and City Council Rules and Regulations and all applicable statutes, including Chapter 6, Article 9A of the Official West Virginia Code of 1931, as amended, and a quorum of duly elected, qualified and acting members of the Council 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.

10. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "City of Bridgeport" and it is a municipal corporation of the State of West Virginia, in Harrison County of said state. The governing body of the Issuer is its Council, consisting of the Mayor, the 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
Leonard J. Timms, Jr.	- Mayor	July 1, 2001	June 30, 2005
Michael D. Conley	- Recorder	July 1, 2003	June 30, 2007
Ruth J. Allen	- Councilmember	July 1, 2001	June 30, 2005
John L. Westfall	Councilmember	July 1, 2001	June 30, 2005
Harry M. Murray, III	- Councilmember	July 1, 2001	June 30, 2005
Charles C. Lindsey	Councilmember	July 1, 2003	June 30, 2007
Andrew J. Pomeroy	- Councilmember	July 1, 2003	June 30, 2007

The Sanitary Board is composed of the following members:

Leonard J. Timms, Jr.		Chairman and Member
Barry Ranson	-	Member
Dennis Fisher, P.E.		Member

The duly appointed and acting City Manager of the Issuer is A. Kim Flaws. The duly appointed and acting Counsel to the Issuer is West & Jones, Clarksburg, West Virginia.

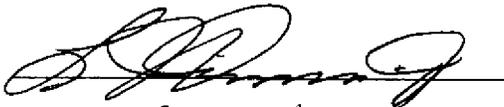
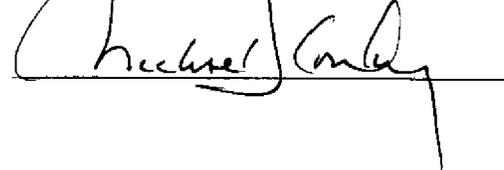
11. **DESIGNATION OF REGISTRAR, DEPOSITORY BANK AND PAYING AGENT:** The Issuer hereby confirms the designation and appointment of WesBanco Bank, Inc., Bridgeport, West Virginia, as Registrar and Depository Bank, and the designation and appointment of the West Virginia Municipal Bond Commission as Paying Agent.

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

13. **CONFLICT OF INTEREST:** No member, 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 and/or the Ordinance, 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.

WITNESS our signatures and the official corporate seal of the CITY OF BRIDGEPORT on this January 15, 2004.

[SEAL]

	<u>Signature</u>	<u>Official Title</u>
By:		Mayor
By:		City Manager
By:		Recorder

102350.00003

Tax and Arbitrage Certificate

CITY OF BRIDGEPORT

Sewer Refunding Revenue Bonds, Amended Series 1998

TAX AND ARBITRAGE CERTIFICATE

The undersigned MAYOR and CITY MANAGER of the City of Bridgeport, West Virginia (the "Issuer"), being the officials of the Issuer duly charged with the responsibility for the issuance of the \$634,560 Sewer Refunding Revenue Bonds, Amended Series 1998, of the Issuer, dated January 15, 2004 (the "Bonds"), and acting for the Issuer and in its name hereby certify as follows with regard to the Bonds, all capitalized terms used herein and not otherwise defined herein to have the same meanings set forth in the Bond Ordinance duly enacted by the Issuer on August 24, 1998, as supplemented and amended (collectively, the "Ordinance"), pursuant to which the Bonds are issued:

1. This certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or any predecessor thereto (collectively, the "Code"). We are 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 duly authorized to execute and deliver this certificate on behalf of the Issuer.

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 obligations 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 January 15, 2004, the date on which the Bonds are to be physically delivered in exchange for the issue price thereof, and to the best of our knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. The Issuer has covenanted in the 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 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.

6. The Bonds were delivered to WesBanco Bank, Inc., Bridgeport, West Virginia (the "Purchaser"), for a purchase price of \$634,560, being the par value thereof, there being no interest accrued thereon. The Bonds are reissued for the purpose of providing a lower interest rate than that provided in the original \$880,000 Sewer Revenue Bonds, Series 1998, dated August 25, 1998 (the "Original Bonds").

7. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of providing moneys to currently refund the Issuer's outstanding Original Bonds.

8. The Issuer does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and bonds issued to currently refund any obligation of the Issuer) during the calendar year 2004 and hereby and in the Ordinance designates the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

9. The Issuer hereby ratifies and re-certifies all of the certifications set forth in the Tax and Arbitrage Certificate relating to the Original Bonds, dated August 25, 1998, such certifications to apply fully to the Bonds as if set forth fully herein.

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

11. Steptoe & Johnson PLLC 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 on the Bonds.

12. Notwithstanding any other provision hereof, any provision of this certificate shall be amended at any time and such amendment shall be complied with, upon receipt by the Issuer of an opinion of Bond Counsel that such amendment is necessary or permissible under the then current Code and Regulations and is either necessary to ensure, or will not adversely affect, the excludability of interest on the Bonds from gross income of the recipients thereof for federal income tax purposes.

13. To the best of our knowledge, information and belief, the foregoing expectations are reasonable.

WITNESS our signatures on this January 15, 2004.

CITY OF BRIDGEPORT

By: 
Mayor

By: 
City Manager

01/14/04
102350.00003



CITY OF BRIDGEPORT

Sewer Refunding Revenue Bonds, Amended Series 1998

CERTIFICATE OF REGISTRAR

WESBANCO BANK FAIRMONT, INC., Bridgeport, West Virginia (the "Bank"), as Registrar for the above-captioned Bonds (the "Bonds"), hereby certifies as follows, all capitalized terms used herein to have the same meanings set forth in the Ordinance of the City of Bridgeport (the "Issuer") enacted January 15, 2003, as supplemented and amended (the "Ordinance"):

1. The Bank is a state banking corporation duly organized, validly existing, and in good standing under the laws of the State of West Virginia, may lawfully conduct business in West Virginia, and is lawfully empowered, pursuant to such laws, to accept the duties and obligations contemplated and as provided under the Ordinance and to serve in the capacity of Registrar under the Ordinance.
2. The Bank has duly authorized, by all necessary action, the authentication of the Bonds and the execution and delivery of this Certificate and the acceptance of all duties of Registrar under the Ordinance, and any and all other documents and agreements as may be required to be executed, delivered and received by the Bank in order to carry out, give effect to, and consummate the transactions contemplated thereby.
3. The person indicated in paragraph 4 below was at the time of the authentication of the Bonds, and is now, a duly elected, qualified and acting incumbent in his office; and, pursuant to authorization from the Board of Directors of the Bank, such person, in his or her official capacity, was and is authorized to authenticate the Bonds for and on behalf of the Bank.
4. Appearing opposite the name and title of the person indicated below is a true and correct specimen of his or her signature.

Name	Title	Signature
LuAnne H. Bush	Vice President	

WesBanco Bank, Inc.
North Central West Virginia Region
301 Adams Street
P.O. Box 1152
Fairmont, WV 26555-1152
(304) 368-5000

5. There have been delivered to the Bank all of the documents listed in Section 3.09 of the Ordinance; the Bonds have been duly authenticated, registered and delivered to the Purchaser, and proceeds of the Bonds have been deposited as required by the Ordinance.

IN WITNESS WHEREOF, WESBANCO BANK, INC. has caused this Certificate to be executed by a duly authorized officer, this January 15, 2004.

WESBANCO BANK, INC.

By: 
Its Vice President



Clarksburg Charleston Morgantown Martinsburg Wheeling Parkersburg

Bank One Center, Sixth Floor
BO Box 2190
Clarksburg, WV 26302-2190
(304) 624-8000 (304) 624-8183 Fax
www.steptoelaw.com

Writer's Contact Information
(304)624-8161
collinva@steptoe-johnson.com

March 9, 2004

City of Bridgeport
Sewer Refunding Revenue Bonds, Amended Series 1998

Sara Boardman, CPA
Acting Executive Director
West Virginia Municipal Bond Commission
8 Capitol Street
Suite 500, Terminal Building
Charleston, WV 25301

Dear Ms. Boardman:

Please be informed that the City of Bridgeport has "reissued" (amended) its Sewer Refunding Revenue Bonds, Series 1998, dated August 25, 1998. The amendment provides for a reduction in interest rate from 5.15% to 3.90% and a corresponding reduction in maturity from October 1, 2012 to April 1, 2012. Semiannual installments of principal and interest will remain the same.

I will be forwarding to you a complete transcript of the amended documents. Please give me a call if you have any questions at this time.

My best regards.

Very truly yours,

Vincent A. Collins

VACljl
Copy of letter to:
Mr. Keith Boggs
Ms. Lu Ann Bush
102350.00003



Information Return for Tax-Exempt Governmental Obligations
 Under Internal Revenue Code section 149(e)
 See separate instructions.

OivMS No.

Caution: If the issue price is a der \$700,000, use Form 8038-GC.

Part I Reporting Authority If Amended Return, check here

1 Issuer's name
CITY OF BRIDGEPORT

2 Issuer's employer identification number
55 i 6000151

Number aria street (et P.O. box mail is not de-ivereo to street address) Room;su to 4 Report number
515 West Main Street **3 2004 01**

City, town, or post office, state, and ZIP code 6 Date of issue
Bridgeport, West Virginia 26330 **111512004**

Name of issue 8 CUSIP number
Sewer Refunding Revenue Bonds, Amended Series 1998 **None**

Name and title of officer cr legal representative whom the IRS may calf for more information 10 Telephone number of officer or legal representative
Keith L. Boggs, Finance Director **(304) 842-8229**

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

Education **11**

Health and hospital **12**

Transportation **13**

Public safety **14**

Environment (including sewage bonds) **15**

Housing **16**

Utilities **17 634,560**

Other. Describe le - **18**

If obligations are TANs or RANs, check box If obligations are BANs, check box le

If obligations are in the form of a lease or installment sale, check box le

Part III Description of Obligations. Complete for the entire issue for which

(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 4/1/2012	634,560	634,560	C 8.17 years	3.90 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

Proceeds used for accrued interest	22	-0-
Issue price of entire issue (enter amount from line 21, column (b))	23	634,560
Proceeds used for bond issuance costs (including underwriters' discount)	24	-0-
Proceeds used for credit enhancement	25	-0-
Proceeds allocated to reasonably required reserve or replacement fund	26	-0-
Proceeds used to currently refund prior issues	27	60
Proceeds used to advance refund prior issues	28	-0-
Total (add lines 24 through 28)	29	634,560
Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	-0-

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31 Enter the remaining weighted average maturity of the bonds to be currently refunded le **8.67 years**

32 Enter the remaining weighted average maturity of the bonds to be advance refunded ▶ **0 years**

33 Enter the last date on which the refunded bonds will be called..... P **1/15/104**

34 Enter the date(s) the refunded bonds were issued lot **10/25/98**

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) **-0-**

36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see **634,560**) **CORRES** **-0-**

b Enter the final maturity date of the guaranteed investment contract la **58**

37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units **37a** **-0-**

b If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ PM-ke:qn(erg6tipame of the issuer ▶ and the date of the issue le

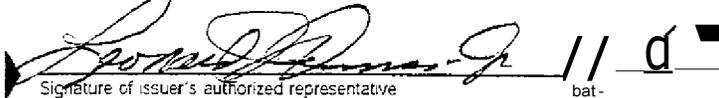
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(iii) (small issuer exception), check box

39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ... **O G D E N, t U]** ▶

40 If the issuer has identified a hedge, check box le

Under penae.es of perjury, I declare that I have examined this return and acccrprcay,ng schedules and statements, and to the best of my knowiedge and belief, they are ue, correct, and complete.

Sign Here


 Signature of issuer's authorized representative bat-

Leonard J. Timms, Jr., Mayor
 Type or print name and title

WV MUNICIPAL BOND COMMISSION
 8 Capitol Street
 Suite 500, Terminal Building
 Charleston, WV 25301
 (304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 1115104

(See Reverse for Instructions)

ISSUE: City of Bridgeport, Sewer Refunding Revenue Bonds, Series 1998	
ADDRESS: 515 West Main Street, Bridgeport, WV 26330	COUNTY: Harrison
PURPOSE OF ISSUE: New Money: Refunding: X	REFUNDS ISSUE(S) DATED: 8125198
ISSUE DATE: 8/25/98 (Amended & reissued 1/15/04)	CLOSING DATE: 1/15/04
ISSUE AMOUNT: \$634,560	RATE: 3.90%
1ST DEBT SERVICE DUE: 411104	1ST PRINCIPAL DUE: 4/1/04
1ST DEBT SERVICE AMOUNT: \$124,025.71	PAYING AGENT: Municipal Bond Commission
BOND COUNSEL: Steptoe & Johnson PLLC Contact Person: Vincent A. Collins, Esquire Phone: 624-8161	UNDERWRITERS COUNSEL: Contact Person: Phone:
CLOSING BANK: WesBanco Bank, Inc. Contact Person: Lu Bush Phone: 842.1114	ESCROW TRUSTEE: Contact Person: Phone:
KNOWLEDGEABLE ISSUER CONTACT Contact Person: Keith Boggs Position: Finance Director Phone: 842-8229	OTHER: Contact Person: Function: Phone:
DEPOSITS TO MBC AT CLOSE: By: Wire Check (NONE)	Accrued Interest: \$ Capitalized Interest: \$ Reserve Account: \$ Other: \$
REFUNDS & TRANSFERS BY MBC AT CLOSE By: Wire Check IGT (NONE)	To Escrow Trustee: \$ To Issuer: \$ To Cons. Invest. Fund: \$ To Other: \$
NOTES:	
FOR MUNICIPAL BOND COMMISSION USE ONLY:	
DOCUMENTS REQUIRED:	
TRANSFERS REQUIRED:	



January 15, 2004

City of Bridgeport
Sewer Refunding Revenue Bonds, Amended Series 1998

City of Bridgeport
Bridgeport, West Virginia

Steptoe & Johnson PLLC
Clarksburg, West Virginia

Ladies and Gentlemen:

The undersigned LuAnne H. Bush, Vice President of WesBanco Bank, Inc., Bridgeport, West Virginia (the "Purchaser"), on behalf of the Purchaser in connection with its purchase of \$634,560 aggregate principal amount of the Sewer Refunding Revenue Bonds, Amended Series 1998 (the "Bonds"), issued by the City of Bridgeport (the "Issuer") on the date hereof, hereby makes the following representations and warranties to you that:

1. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by our purchase of the Bonds, and our net worth and available assets are such that we are able to bear the economic risk of our purchase of the Bonds.
2. We understand that the entire principal of and interest on the Bonds are payable by the Issuer solely from the Net Revenues (as defined in the Ordinance of the Issuer enacted August 24, 1998, as supplemented and amended) of the Issuer's municipal sewerage system; that the Bonds are special and limited obligations of the Issuer and are not general obligations or secured by any obligation or pledge of any monies received or to be received by the Issuer other than the Net Revenues; that additional bonds may be issued on parity with the Bonds; that the Bonds do not now and shall never constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation.

WesBanco Bank, Inc.
North Central West Virginia Region
301 Adams Street
P.O. Box 1152
Fairmont, WV 26555-1152
(30) 368-5000

City of Bridgeport, et al.

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3. We understand that no official statement, prospectus, offering circular or other offering statement containing material information with respect to the Issuer or the Bonds is being issued, that the Bonds are unrated, and that in due diligence, we have made our own inquiry and analysis with respect to the Issuer, the Bonds and the security therefor, and other material factors affecting the security for and payment of the Bonds, and are relying solely on such inquiry and analysis in our purchase of the Bonds.

4. We acknowledge that during the course of the transaction and prior to the sale of the Bonds, we have requested or have had access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and we have had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the Bonds and the security therefor, so that as a reasonable investor, we have been able to make our decision to purchase the Bonds. No such information requested by us has been denied to us.

5. Because of our experience in financial and business matters, we feel that we are qualified to make the inquiry and analysis described in paragraph 3 and to understand fully the documents and information described in paragraph 4.

6. We understand that the Internal Revenue Code of 1986, as amended (the "Code"), prescribes satisfaction of several requirements in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes, some of which apply after issuance of the Bonds, and that noncompliance by the Issuer with certain of such requirements could cause interest on the Bonds to be includable in gross income for federal income tax purposes and thus, subject to federal income taxation retroactively to the date hereof. We also understand that under the Code, interest on obligations, such as the Bonds, which are not "private activity bonds," are not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations by Section 55 of the Code, but that a provision of the Code which is applicable to corporations (as defined for federal income tax purposes), and which would impose an alternative minimum tax on a portion of the excess of adjusted net book income over pre-book alternative minimum taxable income, could subject part of the interest on the Bonds received by corporations to such corporate alternative minimum tax. Additionally, we understand that for tax years beginning after 1986, interest on the Bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the Code and enacted by the Superfund Revenue Act of 1986, and that for taxable years beginning after 1986, interest on the Bonds earned by certain foreign corporations doing business in the United States could be subject to the branch profits tax imposed by the Code.

7. We understand that the Bonds (a) are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed on any stock or other securities exchange, (c) will carry no rating from any rating service, and (d) may be resold only to purchasers who meet the criteria set forth herein and who, as a condition to such purchase, deliver an executed letter substantially in the form hereof to Steptoe & Johnson, Clarksburg, West Virginia.

8. We are purchasing the Bonds for investment in our own account and do not intend to divide the Bonds purchased by us nor to resell or otherwise dispose of all or any part of the Bonds purchased by us, except as permitted by law on a basis of full disclosure to any subsequent holder of the Bonds and subject to applicable securities laws and regulations thereunder.

9. We have had the opportunity to consult with and be advised by legal counsel as to the significance of this letter and we have satisfied ourselves that the Bonds are a lawful investment for us under all applicable laws.

Very truly yours,

WESBANCO BANK, INC.

By: *rwJ* *Bush*
Its Vice President