

TOWN OF CAPON BRIDGE

**Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)**

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**TOWN OF CAPON BRIDGE
WATER REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA DWTRF PROGRAM); AND
WATER REVENUE BONDS, SERIES 2013 B
(WEST VIRGINIA DWTRF PROGRAM)**

BOND ORDINANCE

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TOWN OF CAPON BRIDGE

ORDINANCE AUTHORIZING ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE TOWN OF CAPON BRIDGE AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF CAPON BRIDGE OF NOT MORE THAN \$2,200,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA DWTRF PROGRAM); AND NOT MORE THAN \$750,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE TOWN OF CAPON BRIDGE:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the “Bond Legislation”) is enacted pursuant to the provisions of Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the “Act”), and other applicable provisions of law.

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

A. The Town of Capon Bridge (the “Issuer”) is a municipal corporation and political subdivision of the State of West Virginia in Hampshire County of said State.

B. The Issuer presently owns and operates a public waterworks system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements for the existing public waterworks system of the Issuer, consisting of replacement of approximately 21,000 linear feet of existing water line, which will include upgrading existing 4-inch lines to 6-inch and 8-inch pipe to allow for more reliable distribution and fire protection service, construction of a new 100 GPM booster pump station, which will be equipped with two 25 horsepower multi-stage centrifugal pumps rated at 100 GPM, installation of a new three-unit satellite telemetry system that will control the new booster pump station

and monitor water levels in the existing West Tank and East Tank, together with all necessary appurtenances (collectively, the "Project") (the existing public waterworks system of the Issuer, the Project and any further additions, betterments and improvements thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

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

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, in the total aggregate principal amount of not more than \$2,950,000 in two or more series (collectively, the "Series 2013 Bonds") initially planned to be the (i) Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), in the aggregate principal amount of not more than \$2,200,000 (the "Series 2013 A Bonds") and (ii) Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), in the aggregate principal amount of not more than \$750,000, (the "Series 2013 B Bonds") to permanently finance a portion of the costs of acquisition and construction of the Project, and pay the costs of issuance thereof. Such costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2013 Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amount which may be deposited in the Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority including the Administrative Fee (as hereinafter defined) for the Series 2013 Bonds; discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2013 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 32 years.

F. It is in the best interests of the Issuer that its Series 2013 Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority on behalf of the West Virginia Bureau for Public Health (the "BPH") in the form satisfactory to the respective parties (the "Loan Agreement") approved hereby if not previously approved by resolution of the Issuer.

G. The Issuer has no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

H. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the

System, the principal of and interest on the Series 2013 Bonds and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2013 Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a Certificate of Public Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2013 Bonds or such final order will not be subject to appeal.

J. The Project has been reviewed and determined to be technically and financially feasible by the West Virginia Infrastructure and Jobs Development Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2013 Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Series 2013 Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

“Act” means, collectively, Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

“Administrative Fee” means the Administrative Fee required to be paid pursuant to the Loan Agreement.

“Authority” means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2013 Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the BPH under the Act.

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

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

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

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

“Bonds” means, collectively, the Series 2013 Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

“BPH” means the West Virginia Bureau for Public Health, a division of the West Virginia Department of Health and Human Resources, or any successor thereto.

“Clerk” means the Clerk of the Issuer.

“Closing Date” means the date upon which there is an exchange of the Series 2013 Bonds for all or a portion of the proceeds of the Series 2013 Bonds from the Authority.

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

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

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

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

“Cross Cutter Authorities” means federal laws and authorities that apply by their terms to projects or activities receiving federal assistance.

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

“DWTRF Regulations” means the DWTRF regulations set forth in the West Virginia Code of State Regulations, as amended from time to time.

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

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

“Governing Body” means the Town Council of the Issuer, as it may now or hereafter be constituted.

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

“Grants” means any grants committed to the Project.

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

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

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

“Issuer” means the Town of Capon Bridge, a municipal corporation and political subdivision of the State of West Virginia, in Hampshire County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

“Loan Agreement” means the Loan Agreement heretofore entered, or to be entered into, by and between the Issuer and the Authority, on behalf of the BPH, providing for the purchase of the Series 2013 Bonds from the Issuer by the Authority, the form of which shall be approved and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

“Mayor” means the Mayor of the Issuer.

“Net Proceeds” means the face amount of the Series 2013 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2013 A Bonds Reserve Account.

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

“Operating Expenses” means the reasonable, proper and necessary costs of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the Costs, the Administrative Fee, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and Paying Agent (all as herein defined), payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that “Operating Expenses” does not include payments

on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

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

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

"Paying Agent" means the Commission or such other entity or authority as may be designated as a Paying Agent by the Issuer in the Supplemental Resolution with the written consent of the Authority and the BPH.

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

"Qualified Investments" means and includes any of the following, unless otherwise set forth in the Supplemental Resolution:

- (a) Government Obligations;
- (b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;
- (c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;
- (d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;
- (e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government

Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

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

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

(h) The West Virginia “consolidated fund” managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C 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.

“Registrar” means the Bond Registrar.

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

“Renewal and Replacement Fund” means the Renewal and Replacement Fund created by Section 5.01 hereof.

“Reserve Account” means the reserve account established for the Series 2013 A Bonds.

“Revenue Fund” means the Revenue Fund established by Section 5.01 hereof.

“Series 2013 Bonds” means, collectively, the Series 2013 A Bonds and Series 2013 B Bonds.

“Series 2013 A Bonds” means the Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), of the Issuer, authorized by this Bond Legislation.

“Series 2013 A Bonds Reserve Account” means the Series 2013 A Bonds Reserve Account established in Section 5.02 hereof.

“Series 2013 A Bonds Reserve Requirement” means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2013 A Bonds in the then current or any succeeding year.

“Series 2013 A Bonds Sinking Fund” means the Series 2013 A Bonds Sinking Fund established by Section 5.02 hereof.

“Series 2013 Bonds Construction Trust Fund” means the Series 2013 Bonds Construction Trust Fund established by Section 5.01 hereof.

“Series 2013 B Bonds” means the Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), of the Issuer, authorized by this Bond Legislation.

“State” means the State of West Virginia.

“Supplemental Resolution” means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article “the,” refers specifically to the supplemental resolution authorizing the sale of the Series 2013 A Bonds and the Series 2013 B Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2013 A Bonds and Series 2013 B Bonds, and not so included may be included in another Supplemental Resolution.

“Surplus Revenues” means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the Series 2013 A Bonds Sinking Fund, the Series 2013 A Bonds Reserve Account and the Renewal and Replacement Fund.

“System” means the existing waterworks system of the Issuer, as expanded and improved by the Project, and includes the complete waterworks system of the Issuer and all waterworks facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the waterworks system; and shall also include any and all additions, extensions, improvements, properties or other facilities at any time acquired or constructed for the waterworks system after the completion of the Project.

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

“West Virginia DWTRF Program” means the West Virginia Drinking Water Treatment Revolving Fund Program established by the State, administered by BPH and funded by capitalized grants awarded to the State pursuant to the Federal Safe Drinking Water Act, as amended, for the purpose of establishing and maintaining a permanent perpetual fund for the acquisition, construction and improvement of drinking water projects.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost not to exceed \$3,050,000, and ordered in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2013 A Bonds and the Series 2013 B Bonds, hereby authorized, shall be applied as provided in Article VI hereof.

The Cost of the Project is estimated not to exceed \$3,050,000 of which not more than \$2,200,000 will be obtained from proceeds of the Series 2013 A Bonds; not more than \$750,000 will be obtained from the proceeds of the Series 2013 B Bonds; and \$100,000 will be obtained from a grant from The County Commission of Hampshire County.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of paying a portion of the Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2013 Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2013 Bonds of the Issuer. The Series 2013 Bonds shall be issued in two series, each as a single bond, designated respectively as “Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program)”, in the principal amount of not more than \$2,200,000, and “Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program)”, in the principal amount of not more than \$750,000 and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2013 Bonds remaining after funding of the Reserve Account (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Series 2013 Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. A. The Series 2013 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2013 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest, if any, on the Series 2013 A Bonds shall be paid by check or draft of the Paying Agent or its

agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2013 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2013 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall bear interest as specified in a Supplemental Resolution.

B. Unless otherwise provided by the Supplemental Resolution, the Series 2013 B Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances, representing the aggregate principal amount and shall not bear interest. The principal amounts advanced under the Series 2013 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2013 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven. The Series 2013 B Bonds are not subject to an Administrative Fee.

The Series 2013 B Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated as specified in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2013 Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2013 Bonds shall cease to be such officer of the Issuer before the Series 2013 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 such Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2013 Bonds shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in

Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2013 Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2013 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 2013 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 2013 Bonds remain Outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2013 Bonds shall be transferable only upon the books of the Bond Registrar, by the Registered Owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2013 Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2013 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay

the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2013 Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2013 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2013 Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues. The payment of the debt service on the Series 2013 A Bonds shall be secured by a first lien on the Gross Revenues derived from the System. The Gross Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2013 A Bonds, and to make all other payments hereinafter set forth, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2013 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2013 Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2013 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 Bonds to the original purchasers;

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

D. Executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2013 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2013 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

[Remainder of Page Intentionally Blank]

(FORM OF SERIES 2013 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF CAPON BRIDGE
WATER REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA DWTRF PROGRAM)

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That on this the ____ day of _____, 2013, the TOWN OF CAPON BRIDGE, a municipal corporation and political subdivision of the State of West Virginia in Hampshire County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS (\$ _____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__ to and including _____ 1, 20__, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference with interest of 0.5% payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, to and including _____ 1, 20__ as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference. The DWTRF Administrative Fee of 0.5 % (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, as set forth on said EXHIBIT B.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated _____, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds and related costs. The existing public waterworks system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article

19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2013, and a Supplemental Resolution duly adopted by the Issuer on _____, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THE ISSUER HAS NO BONDS OR OBLIGATIONS OTHER THAN THIS BOND WHICH IS SECURED BY GROSS REVENUES OF THE SYSTEM.

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues, and from monies in the reserve account created under the Bond Legislation for the Series 2013 A Bonds (the "Series 2013 A Bonds Reserve Account"), and unexpended proceeds of the Series 2013 A Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Gross Revenues, the monies in the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Series 2013 A Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Series 2013 A Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 A Bonds; provided however, that, so long as there exists in the Series 2013 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Series 2013 A Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior and subordinate to the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar (as defined in the Bond Legislation) by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney duly authorized in writing.

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

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

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the TOWN OF CAPON BRIDGE has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated as of the day and year first written above.

[SEAL]

Mayor

ATTEST:

Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: _____, 2013.

THE HUNTINGTON NATIONAL BANK,
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL \$ _____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, 20 ____.

In the presence of:

(FORM OF SERIES 2013 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF CAPON BRIDGE
WATER REVENUE BONDS, SERIES 2013 B
(WEST VIRGINIA DWTRF PROGRAM)

No. BR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That on this the ____ day of _____, 2013, the TOWN OF CAPON BRIDGE, a municipal corporation and political subdivision of the State of West Virginia in Hampshire County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS (\$ _____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously forgiven, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference. The Series 2013 B Bonds are not subject to the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation).

This Bond shall bear no interest. The principal amounts advanced under the Series 2013 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2013 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated _____, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds and related costs. The existing public waterworks system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2013, and a Supplemental Resolution duly adopted by the Issuer on _____, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS FORGIVABLE AND HAS NO LIEN ON THE GROSS REVENUES OR NET REVENUES OF THE SYSTEM.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar (as defined in the Bond Legislation) by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney duly authorized in writing.

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the TOWN OF CAPON BRIDGE has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated as of the day and year first written above.

[SEAL]

Mayor

ATTEST:

Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: _____, 2013.

THE HUNTINGTON NATIONAL BANK,
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL \$ _____

(Form of)

ASSIGNMENT

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

Dated: _____, 20__.

In the presence of:

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2013 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement and the Clerk is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. "Amended Schedule A" Filing. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority a schedule setting forth the actual Costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund; and
- (3) Series 2013 Bonds Construction Trust Fund.

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

- (1) Series 2013 A Bonds Sinking Fund; and
- (2) Series 2013 A Bonds Reserve Account.

No funds are established with the Commission for the Series 2013 B Bonds as they are forgivable.

Section 5.03. 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 Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond

Legislation. All monies in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first of each month, transfer from the Revenue Account and remit to the Commission, commencing 4 months prior to the first date of payment of interest of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest due on the Series 2013 A Bonds on the next ensuing quarterly interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next quarterly interest payment date is less than 4 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(2) The Issuer shall first, on the first of each month, transfer from the Revenue Account and remit to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2013 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next quarterly principal payment date is less than 4 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first of each month, transfer from the Revenue Account and remit to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2013 A Bonds, if not fully funded upon issuance of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2013 A Bonds Reserve Requirement.

(4) The Issuer shall next, each month, pay from the monies in the Revenue Fund all current Operating Expenses of the System.

(5) The Issuer shall next, on the first day of each month, from the monies remaining in the Revenue Fund, transfer to the Renewal and Replacement Fund, a sum equal to 2 ½% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) After all the foregoing provisions for use of monies in the Revenue Fund have been fully complied with, any monies remaining therein and not permitted to be retained therein may be used to prepay installments of the Series 2013 A Bonds or for any lawful purpose.

Monies in the Series 2013 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2013 A Bonds, as the same shall become due. Monies in the Series 2013 A Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2013 A Bonds, as the same shall come due, when other monies in the Series 2013 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2013 Bonds Construction Trust Fund, and following completion thereof, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment due on the Series 2013 A Bonds, if any, and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2013 A Bonds Reserve Account which result in a reduction in the balance of such account to below the Series 2013 A Bonds Reserve Requirement, thereof, shall be restored from the first Gross Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2013 Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve accounts in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2013 A Bonds Sinking Fund or the Series 2013 A Bonds Reserve Account, when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2013 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account, created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. The Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2013 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest, if any, and reserve payments with respect to the Series 2013 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall also on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the Administrative Fee as set forth in the Schedule Y attached to the Loan Agreement for the Series 2013 A Bonds.

C. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

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

E. The monies 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.

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

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

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

I. All Tap Fees shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds.

From the monies received from the sale of the Series 2013 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2013 A Bonds, there shall first be deposited with the Commission in the Series 2013 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

B. Next, from the proceeds of the Series 2013 A Bonds, there shall be deposited with the Commission in the Series 2013 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2013 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2013 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2013 Bonds Construction Trust Fund and applied solely to payment of the Costs of the Project in the manner set forth in Section 6.02 hereof and, until so expended, are hereby pledged as additional security for the Series 2013 A Bonds.

D. As the Issuer receives advances of the monies derived from the sale of the Series 2013 B Bonds, such monies shall be deposited with the Depository Bank in the Series 2013 Bonds Construction Trust Fund and applied solely to payment of the Costs of the Project in the manner set forth in Section 6.02 hereof and, until so expended, are hereby pledged as additional security for the Series 2013 B Bonds.

E. After completion of construction of the Project, as certified by the Consulting Engineers, and all Costs have been paid, any remaining proceeds of the Series 2013 Bonds shall be expended as approved by the BPH.

Section 6.02. Disbursement from the Bond Construction Trust Fund.

On or before the Closing Date, the Issuer shall have delivered to the Authority and the BPH a report listing the specific purposes for which the net proceeds of the Series 2013 Bonds will be expended and the disbursement procedures for such proceeds. Payments for the Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2013 Bonds Construction Trust Fund shall be made only after submission to, and approval from the BPH, of the following:

- (1) A completed and signed "Payment Requisition Form" of which is attached to the Loan Agreement as Exhibit B, in compliance with the Issuer's construction schedule; and
- (2) A Certificate signed by an Authorized Officer stating that:

- (A) None of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;
- (B) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;
- (C) Each of such Costs has been otherwise properly incurred; and
- (D) Payment for each of the items proposed is then due and owing.

Pending such application, monies in the Series 2013 Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2013 Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2013 Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2013 Bonds shall not be nor constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2013 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2013 Bonds, or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues. The payment of the debt service on the Series 2013 A Bonds shall be secured by a first lien on the Gross Revenues derived from the System. The Gross Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2013 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall provide an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall provide a certificate of certified public accountant to such effect. The initial schedule of rates and charges

for the services of the facilities of the System shall be as set forth in the water rate ordinance of the Issuer enacted November 13, 2012, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2013 A Bonds are Outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2013 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Series 2013 Bonds are Outstanding and except as otherwise required by law or with the written consent of the Authority and the BPH, 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 all the Bonds Outstanding, in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2013 Bonds, immediately be remitted to the Commission for deposit in the Series 2013 A Bonds Sinking Fund with respect to the principal amount of the Bonds then Outstanding and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2013 A Bonds in accordance with Article X hereof. Any balance remaining after the payment of the Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of \$10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, by resolution, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and may then, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of \$10,000 and not in excess of \$50,000, shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said fund by other provisions of this Bond Legislation.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of \$50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the

then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2013 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2013 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2013 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2013 A Bonds, and the interest, if any, thereon, upon any of the income and revenues of the System pledged for payment of the Series 2013 A Bonds and the interest, if any, thereon in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. No additional Parity Bonds payable out of the revenues of the System, shall be issued after the issuance of the Series 2013 A Bonds pursuant to this Ordinance, without the prior written consent of the Authority and the BPH and without complying with the conditions and requirements herein provided.

All Parity Bonds issued hereafter shall be on a parity in all respects with the Series 2013 A Bonds.

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

So long as the Series 2013 A Bonds are Outstanding no such Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Clerk 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 within 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 completion of the improvements to be financed by such Parity Bonds, if any, shall be not 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 Parity Bonds theretofore issued pursuant to the provisions contained in this Bond Legislation then Outstanding; and

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

The “estimated average increased annual Net Revenues to be received in each of the 3 succeeding years,” as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such 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 issuance of such Parity Bonds and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Clerk of the Issuer prior to the issuance of such Parity Bonds.

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

All the covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Series 2013 A Bonds and the Holders of any Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System, and their source of and security for payment from said revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the revenues of the System of which is subject to the prior and superior lien of the Series 2013 A Bonds on such revenues. Any such subordinate bonds, notes, certificates or other obligations shall be payable from the revenues remaining after all payments required to be made in accordance with this Bond Legislation have first been paid. 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 Series 2013 A Bonds except in the manner and under the conditions provided in this section.

No Parity Bonds shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Bond Legislation on account of the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of issuance of the Parity Bonds and the Issuer is then in full compliance with all the covenants, agreements and terms of this Bond Legislation and every ordinance supplemental thereto, or shall have fully corrected any delinquency or deficiency in such payments.

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

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

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

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

The Issuer shall file with the Authority and the BPH, or any other original purchaser of the Series 2013 Bonds, and shall mail in each year to any Holder or Holders of the Series 2013 Bonds, requesting the same, an annual report containing the following:

- (A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.
- (B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.
- (C) The amount of any bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required in compliance with the applicable OMB Circular, or any successor thereof, and the Single Audit Act, or any successor thereof), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2013 Bonds and shall submit the report to the Authority, or any other original purchaser of the Series 2013 Bonds. Such audit report submitted to the Authority shall include a statement that the Issuer

is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

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

Section 7.09. Rates. Prior to the issuance of the Series 2013 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules 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 and accounts created hereunder. Such schedule or schedules of rates and charges shall be revised from time to time, 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 or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2013 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2013 A Bonds; provided that, in the event that, an amount equal to or in excess of the reserve requirement is on deposit in the Reserve Account and any reserve accounts for obligations on a parity with the Series 2013 A Bonds, are funded at least at the requirement therefor, such sum need only equal 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2013 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2013 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance currently in effect.

The Issuer hereby covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 30 days following a determination of the Issuer that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the BPH within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation, 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. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority, the BPH and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority, the BPH and any Holder of any Bonds or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Authority by the 10th day of each month.

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

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

The Issuer shall require the Consulting Engineers to submit As-Built Plans, as defined in the DWTRF Regulations, to the Issuer within 60 days of the completion of the Project. The Issuer shall notify the BPH in writing of such receipt.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the DWTRF Regulations, to the Issuer when the Project is 90% completed. The Issuer shall at all times provide operation and maintenance of the System in compliance with all State and Federal standards. The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to

operate the System during the entire term of the Loan Agreement. The Issuer shall notify the BPH in writing of the certified operator employed at the 50% completion stage.

The Issuer will serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer will not reduce the amount of additional customers served by the project without the prior written approval of the Board of the West Virginia Water Development Authority (the "Authority"). Following completion of the Project the Issuer will certify to the Authority the number of customers added to the System.

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2013 Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the greater of the fair appraised value or the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. 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 damages 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, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the prime contractor and subcontractors, as their interests may appear.

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

(3) WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 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) FIDELITY BONDS will be provided as to every officer and employee of the 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.

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

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

B. The Issuer shall require all contractors engaged in the construction of the Project to furnish a performance bond and a payment bond, each in an amount equal to 100% of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract. The Issuer shall verify such bonds prior to commencement of construction.

The Issuer shall also require all contractors engaged in the construction of the Project to carry such workers' compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the BPH, and the Issuer shall verify such insurance prior to commencement of construction. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling, or building intended to be served by the System to connect thereto.

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

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia, the West Virginia Infrastructure and Jobs Development Council and the BPH necessary for the acquisition and construction of the Project and the operation of the System and all approvals for the issuance of the Series 2013 Bonds required by State law, with all appeal periods having expired without successful appeal.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the BPH with copies of all documents submitted to the Authority. The Issuer also agrees to comply with all applicable federal and state statutes, rules and regulations, the applicable Cross Cutter Authorities and all applicable local ordinances issued by the Authority, the BPH or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

The Issuer shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia in the manner prescribed by and the guidelines established by the Authority and the Public Service Commission of West Virginia.

Section 7.19. [RESERVED]

Section 7.20. Securities Law Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Change Orders; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2013 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the BPH for written approval. The Issuer shall obtain the written approval of the BPH before expending any proceeds of the Series 2013 Bonds held in “contingency” as set forth in the schedule attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the BPH before expending any proceeds of the Series 2013 Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding as being provided by the BPH and the Authority in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

Section 7.22. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2013 Bonds.

ARTICLE VIII

INVESTMENT OF FUNDS

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

Any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the “Consolidated Fund.” The Commission, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank or such other bank or national banking association, as the case may be, 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 as 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 2013 Bonds are Outstanding and as long thereafter as necessary to

assure the exclusion of interest, if any, on the Series 2013 Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds.
The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2013 Bonds as a condition to issuance of the Series 2013 Bonds.

In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2013 Bonds as may be necessary in order to maintain the status of the Series 2013 Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2013 Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority, or the BPH, as the case may be, from which the proceeds of the Series 2013 Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority, or the BPH, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Ordinance.

The Issuer shall annually furnish to the Authority, information with respect to the Issuer's use of the proceeds of the Series 2013 Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2013 Bonds:

- (1) If default occurs in the due and punctual payment of the principal of or interest, if any, on any Series 2013 A Bonds;
- (2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2013 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2013 Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or
- (3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the

Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

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

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

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

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

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holders of the Series 2013 A Bonds, the principal of and interest, if any, due or to become due thereon, if any, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Gross Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2013 Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2013 Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2013 Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2013 Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2013 Bonds shall be made without the consent in writing of the Registered Owners of the Series 2013 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 2013 Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2013 Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest on the Series 2013 Bonds from gross income of the Holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Bonds, and no

change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Series 2013 Bonds.

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

Section 11.05. Notices. All notices to be sent to the Issuer, the Authority or the BPH shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class mail, postage prepaid, addressed as follows:

ISSUER:

Town of Capon Bridge
Post Office Box 183
Capon Bridge, West Virginia 26711
Attention: Mayor

AUTHORITY:

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, West Virginia 25301
Attention: Director

BPH:

West Virginia Bureau for Public Health
350 Capitol Street, Room 313
Charleston, West Virginia 25301
Attention: Environmental Engineering

All notices to be sent to the BPH hereunder, shall also be sent to the Authority.

Section 11.06. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 11.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the Clerk and members

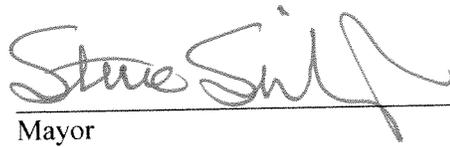
of the Governing Body were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the *Hampshire Review*, a newspaper of general circulation in the Town of Capon Bridge, 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.

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Section 11.09 Effective Date. This Ordinance shall take effect immediately following the public hearing hereon.

Passed on First Reading: July 9, 2013
Passed on Second Reading: August 13, 2013
Passed on Final Reading
Following Public
Hearing: September 10, 2013



Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the TOWN OF CAPON BRIDGE on the 10th day of September, 2013.

Dated: October 2, 2013.

[SEAL]


Clerk

TOWN OF CAPON BRIDGE

Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA DWTRF PROGRAM), AND WATER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA DWTRF PROGRAM) OF THE TOWN OF CAPON BRIDGE; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of the Town of Capon Bridge (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective September 10, 2013 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE TOWN OF CAPON BRIDGE AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF CAPON BRIDGE OF NOT MORE THAN \$2,200,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA DWTRF PROGRAM); AND NOT MORE THAN \$750,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENT RELATING TO SUCH

BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE
TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING
OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), in an aggregate principal amount not to exceed \$2,200,000 (the "Series 2013 A Bonds") and Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), in an aggregate principal amount not to exceed \$750,000 (the "Series 2013 B Bonds" and together with the Series 2013 A Bonds, the "Series 2013 Bonds"), and has authorized the execution and delivery of the Loan Agreement relating to the Series 2013 A Bonds and Series 2013 B Bonds, including all schedules and exhibits attached thereto, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health for the Series 2013 A Bonds and Series 2013 B Bonds (the "Loan Agreement"), all in accordance with Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amounts, dates, maturity dates, redemption provisions, interest rates, interest and principal payment dates, sale price and other terms of the Series 2013 Bonds should be established by a supplemental resolution pertaining to the Series 2013 Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Loan Agreement has been presented to the Issuer;

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

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

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

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 Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$1,989,000. The Series 2013 A Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2045, and shall bear no interest. The principal of the Series 2013 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2015 to and including June 1, 2045, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2013 A Bonds. The Series 2013 A Bonds shall be subject to redemption upon the written consent of the Authority and the BPH, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the Registered Owner of the

Series 2013 A Bonds. The Issuer does hereby approve and shall pay the Administrative Fee equal to 1% of the principal amount of the Series 2013 A Bonds set forth in "Schedule Y" attached to the Loan Agreement.

Section 2. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of \$450,814. The Series 2013 B Bonds shall be dated the date of delivery thereof, and shall bear no interest. The principal of the Series 2013 B Bonds shall be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2013 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven. The Series 2013 B Bonds may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the BPH, and otherwise in compliance with, the Loan Agreement. The Series 2013 B Bonds are not subject to an Administrative Fee.

Section 3. All other provisions relating to the Series 2013 Bonds and the text of each series of the Series 2013 Bonds shall be in substantially the form provided in the Bond Ordinance.

Section 4. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby accepts and agrees to all covenants and representations made in the Loan Agreement and in the applications to the Authority and the BPH. The price of the Series 2013 Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2013 Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 5. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 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 FNB Bank, Romney, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 8. Series 2013 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2013 A Bonds Sinking Fund, as capitalized interest.

Section 9. Series 2013 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2013 A Bonds Reserve Account.

Section 10. The balance of the proceeds of the Series 2013 A Bonds and the Series 2013 B Bonds shall be deposited in or credited to the Series 2013 Bonds Construction Trust Fund as received from the BPH from time to time for payment of the Costs of the Project, including, without limitation, costs of issuance of the Series 2013 Bonds and related costs.

Section 11. The Mayor and the Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about, October 2, 2013, to the Authority pursuant to the Loan Agreement.

Section 12. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Series 2013 Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

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

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Adopted this 10th day of September, 2013.

By: Steve Suf
Its: Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the TOWN OF CAPON BRIDGE on the 10th of September, 2013.

Dated: October 2, 2013.

[SEAL]



Clerk

124500.00001

DWTRF
(07/13)

LOAN AGREEMENT

THIS DRINKING WATER TREATMENT REVOLVING FUND LOAN AGREEMENT (the "Loan Agreement"), made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), acting under the direction of the WEST VIRGINIA BUREAU FOR PUBLIC HEALTH, a division of the West Virginia Department of Health and Human Resources (the "BPH"), and the local entity designated below (the "Local Entity").

TOWN OF CAPON BRIDGE (2011W-1234)
(Local Entity)

WITNESSETH:

WHEREAS, the United States Congress under Section 1452 of the Safe Drinking Water Act, as amended (the "Safe Drinking Water Act"), has provided for capitalization grants to be awarded to states for the express purpose of establishing and maintaining drinking water treatment revolving funds for the construction, acquisition and improvement of drinking water systems;

WHEREAS, pursuant to the provisions of Chapter 16, Article 13C of the Code of West Virginia, 1931, as amended (the "Act"), the State of West Virginia (the "State") has established a drinking water treatment revolving fund program (the "Program") to direct the distribution of loans to eligible Local Entities pursuant to the Safe Drinking Water Act;

WHEREAS, under the Act the BPH is designated the instrumentality to enter into capitalization agreements with the United States Environmental Protection Agency ("EPA") to accept capitalization grant awards (U.S. General Services Administration; Catalog of Federal Domestic Assistance, 32nd Edition §66.468 (1998)) and BPH has been awarded capitalization grants to partially fund the Program;

WHEREAS, the Act establishes a permanent perpetual fund known as the "West Virginia Drinking Water Treatment Revolving Fund" (hereinafter the "Fund"), which fund is to be administered and managed by the Authority under the direction of the BPH;

WHEREAS, pursuant to the Act, the Authority and BPH are empowered to make loans from the Fund to Local Entities for the design, acquisition or construction of drinking

water projects by such Local Entities, all subject to such provisions and limitations as are contained in the Safe Drinking Water Act and the Act;

WHEREAS, the Local Entity constitutes a local entity as defined by the Act;

WHEREAS, the Local Entity is included on the BPH State Project Priority List and the Intended Use Plan and has met BPH's pre-application requirements for the Program;

WHEREAS, the Local Entity is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a drinking water project and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Local Entity;

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

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

WHEREAS, having reviewed the Application and the Fund having available sufficient funds therefor, the Authority and BPH are willing to lend the Local Entity the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Local Entity with moneys held in the Fund, subject to the Local Entity's satisfaction of certain legal and other requirements of the Program.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Local Entity, BPH and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "fund," "local entity," and "project" have the definitions and meanings ascribed to them in the Act or in the DWTRF Regulations.

1.2 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any successor thereto.

1.3 "Cross Cutter Authorities" means federal laws and authorities that apply by their terms to projects or activities receiving federal assistance.

1.4 “Loan” means the loan to be made by the Authority and BPH to the Local Entity through the purchase of Local Bonds, as hereinafter defined, pursuant to this Loan Agreement.

1.5 “Local Act” means the official action of the Local Entity required by Section 4.1 hereof, authorizing the Local Bonds.

1.6 “Local Bonds” means the revenue bonds to be issued by the Local Entity pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the Loan and to be purchased by the Authority with money held in the Fund, all in accordance with the provisions of this Loan Agreement.

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

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

1.9 “Program” means the drinking water facility acquisition, construction and improvement program coordinated through the capitalization grants program established under the Safe Drinking Water Act and administered by BPH.

1.10 “Project” means the drinking water project hereinabove referred to, to be constructed or being constructed by the Local Entity in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Local Entity in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

1.11 “DWTRF Regulations” means the regulations set forth in the West Virginia Code of State Regulations.

1.12 “System” means the drinking water system owned by the Local Entity, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

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

ARTICLE II

The Project and the System

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

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Local Entity, subject to any mortgage lien or other security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property is approved by BPH and the Authority.

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

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

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

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

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2.8 The Local Entity shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority and BPH and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Local Entity, the Local Entity or (at the option of the Local Entity) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Local Entity, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Local Entity on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds are outstanding. Prior to commencing operation of the Project, the Local Entity must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Local Entity shall provide and maintain competent and adequate engineering services satisfactory to the Authority and BPH covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, BPH and the Local Entity at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies. The Local Entity shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the DWTRF Regulations, to it within 60 days of the completion of the Project. The Local Entity shall notify BPH in writing of such receipt.

2.10 The Local Entity shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Local Entity shall employ qualified operating personnel properly certified by the State. If the Local Entity is a newly established water system, the Local Entity must employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator(s) to operate the System during the entire term of this Loan Agreement. The newly established Local Entity shall notify BPH in writing of the certified operator employed at the 50% completion stage.

2.11 The Local Entity hereby covenants and agrees to comply with all applicable federal and state statutes, rules and regulations, the applicable requirements of all Cross Cutter Authorities and all applicable local ordinances issued by the Authority, BPH or other State, federal or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

2.12 The Local Entity, commencing on the date contracts are executed for the acquisition or construction of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit A and incorporated herein by reference, and forward a copy by the 10th of each month to the Authority and BPH.

2.13 The Local Entity shall serve the additional customers at the location(s) as set forth in Schedule X. The Local Entity shall not reduce the amount of additional customers served by the project without the prior written approval of the WDA Board. Following completion of the Project the Local Entity shall certify to the Authority the number of customers added to the System.

2.14 The Local Entity shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia in the manner prescribed by and the guidelines established by the Authority and the PSC.

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

(a) The Local Entity shall have delivered to BPH and the Authority a report listing the specific purposes for which the proceeds of the Loan will be expended;

(b) The Local Entity shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Loan Agreement;

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

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

(e) The Local Entity shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, and

the Authority and BPH shall have received a certificate of the Consulting Engineers to such effect;

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

(g) The Local Entity shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, and the Authority and BPH shall have received an opinion of counsel to the Local Entity, which may be local counsel to the Local Entity, bond counsel or special PSC counsel but must be satisfactory to the Authority and BPH, to such effect;

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

(i) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and BPH shall have received a certificate of the accountant for the Local Entity, or such other person or firm experienced in the finances of local entities and satisfactory to the Authority and BPH, to such effect;

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

(k) The Local Entity shall have obtained 100% of the titles, easements and rights-of-way, or shall have received rights-of-entry for the same and the Authority and BPH shall receive an opinion of counsel to the Local Entity, satisfactory to the Authority and BPH, to such effect.

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

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

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

3.5 The Local Entity understands and acknowledges that it is one of several local entities which have applied to the Authority and BPH for loans from the Fund to finance drinking water projects and that the obligation of the Authority to make any such loan is subject to the Local Entity's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing and to the requirements of the Program. The Local Entity specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may purchase the bonds of other local entities set out in the State Project Priority List, as defined in the DWTRF Regulations. The Local Entity further specifically recognizes that all loans will be originated in conjunction with the DWTRF Regulations and with the prior approval of BPH or such later date as is agreed to in writing by the BPH.

3.6 The Local Entity shall provide BPH with the appropriate documentation to comply with the special conditions regarding the special requirements established by federal and State regulations as set forth in Exhibit D attached hereto at such times as are set forth therein.

3.7 The Local Entity shall comply with the following conditions:

(a) The Local Entity shall develop and implement an asset management plan in accordance with BPH guidelines and approved by BPH.

(b) The Local Entity shall comply with Title 40 CFR Part 34, New Restrictions on Lobbying.

(c) The Local Entity shall comply with Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962). Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds \$10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 CFR 247.

(d) The Local Entity shall comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons). To the extent required by BPH, the Local Entity shall provide certifications as to compliance.

(e) The Local Entity shall comply with all requests for data related to the use of the funds provided under this agreement.

(f) The Local Entity shall allow any appropriate representative of the Office of US Inspector General to (1) examine its records relating to the Project and this Agreement and (2) interview any officer or employee of the Local Entity.

(g) The Local Entity must promptly refer to EPA's Inspector General any credible evidence that a principal, employee, agent, sub-grantee contractor, subcontractor, loan recipient, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this Agreement.

(h) The Local Entity shall not use funds for particular activities for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

(i) The Local Entity shall require that all laborers and mechanics employed by its contractors and subcontractors be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 31 of title 40, United States Code. The Local Entity must require that contractors and subcontractors obtain wage determinations from DOL and comply with DOL guidance and regulations implementing wage rate requirements.

(j) Pursuant to 40 CFR, Section 33.301, the Local Entity agrees to make Disadvantage Business Enterprise (DBE) good faith efforts whenever procuring construction, equipment, services and supplies, and to require that prime contractors also comply. The Local Entity shall provide BPH with DBE participation reports quarterly.

(k) The Local Entity shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and a variety of program-specific statutes with nondiscrimination requirements. The Local Entity shall also comply with Title VII of the Civil Rights Act of 1964 (prohibiting race, color, national origin, religion, and sex discrimination in employment), the Americans with Disabilities Act (prohibiting disability discrimination in employment and in services provided by State and Local Entities, businesses, and non-profit agencies), and the Fair Housing Act (prohibiting race, color, national origin, age, family status, and disability discrimination in housing), as well as any other applicable civil rights laws.

ARTICLE IV

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

4.1 The Local Entity shall, as one of the conditions of the Authority and BPH to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Local Entity in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows:

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

(i) to pay Operating Expenses of the System;

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

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

emergency repairs or replacements to the System or eliminating any deficiencies in the Reserve Account; and

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

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

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues, as applicable, of the System as provided in the Local Act;

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

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

(iv) That, except as otherwise required by State law or the DWTRF Regulations, 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 from such sale, mortgage, lease or other disposition shall be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of the System as evidenced by certificates from the Consulting Engineer, may be disposed of with such restrictions as are normally contained in such covenants;

(v) That the Local Entity shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a

lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority;

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

(vii) That the Local Entity will not render any free services of the System;

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Local Entity under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law and all rights as set forth in Section 5 of the Act;

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

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

(xi) That the Local Entity shall annually, within six months of the end of the fiscal year, cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority. If the Local Entity receives \$500,000 or more (in any combination of federal funds) in a fiscal year, the audit shall be obtained in accordance with the Single Audit Act (as amended from time to time) and the applicable OMB Circular (or any successor thereto). Financial statement audits are required once all funds have been received by the Local Entity. The audit shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Local Entity's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

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

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

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

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Local Entity may authorize redemption of the Local Bonds with 30 days written notice to BPH and the Authority;

(xvi) That the West Virginia Municipal Bond Commission (the "Commission") shall serve as paying agent for all Local Bonds;

(xvii) That the Local Entity shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment. The Local Entity shall complete the Monthly Payment Form, attached hereto as Exhibit D and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month. The Local Entity shall make monthly payments to the Commission by electronic transfer;

(xviii) That, if required by the Authority and BPH and, unless it qualifies for an exception to the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, which exception shall be set forth in an opinion of bond counsel, the Local Entity will furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the Internal Revenue Code of 1986, as amended, a certificate with respect to its rebate calculations and, at any time, any additional information requested by the Authority;

(xix) That the Local Entity shall have obtained the certificate of the Consulting Engineers to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority and BPH, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and BPH is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

(xx) That the Local Entity shall, to the full extent permitted by applicable law and the rules and regulations of the PSC, terminate its services to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore such services until all delinquent charges for the services of the System have been fully paid; and

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(xxi) That the Local Entity shall submit all proposed change orders to the BPH for written approval. The Local Entity shall obtain the written approval of the BPH before expending any proceeds of the Local Bonds held in “contingency” as set forth in the final Schedule A attached to the certificate of the Consulting Engineer. The Local Entity shall obtain the written approval of the BPH before expending any proceeds of the Local Bonds available due to bid/construction/project underruns.

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

4.2 The Loan shall be secured by the pledge and assignment by the Local Entity, as effected by the Local Act, of the fees, charges and other revenues of the Local Entity from the System.

4.3 At least two and one-half percent (2½%) of the proceeds of the Local Bonds will be advanced on the Date of Loan Closing. The remaining proceeds of the Local Bonds shall be advanced by the Authority monthly as required by the Local Entity to pay Costs of the Project, provided, however, if the proceeds of the Local Bonds will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Entity, the BPH and the Authority. The Local Bonds shall not bear interest during the construction period but interest shall commence accruing on the completion date as defined in the DWTRF Regulations, provided that the annual repayment of principal and payment of interest shall begin not later than one (1) year after the completion date. The repayment of principal and interest on the Local Bonds shall be as set forth on Schedule Y hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.4 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Local Entity. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series.

4.5 As provided by the DWTRF Regulations, the Local Entity agrees to pay from time to time, if required by the Authority and BPH, the Local Entity’s allocable share of the reasonable administrative expenses of the BPH and the Authority relating to the Program. Such administrative expenses shall be determined by the BPH and the Authority and shall include, without limitation, Program expenses, legal fees paid by the BPH and the Authority and fees paid for any bonds or notes to be issued by the Authority for contribution to the Fund.

4.6 The obligation of the Authority to make any loans shall be conditioned upon the availability of moneys in the Fund in such amount and on such terms and conditions as, in the sole judgment of the Authority, will enable it to make the Loan.

ARTICLE V

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

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

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Loan Agreement, the Local Entity hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

5.3 In the event the Local Entity defaults in any payment due to the Authority pursuant to this Loan Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The Local Entity hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Local Entity, the Authority may exercise any or all of the rights and powers granted under Section 5 of the Act, including, without limitation, the right to impose, enforce and collect charges of the System.

ARTICLE VI

Other Agreements of the Local Entity

6.1 The Local Entity hereby acknowledges to the Authority and BPH its understanding of the provisions of the Act, vesting in the Authority and BPH certain powers, rights and privileges with respect to drinking water projects in the event of default by local

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entities in the terms and covenants of this Loan Agreement, and the Local Entity hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Local Entity shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Loan Agreement.

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

6.3 The Local Entity hereby agrees to repay on or prior to the Date of Loan Closing any moneys due and owing by it to the Authority or any other lender for the planning or design of the Project, provided that such repayment shall not be made from the proceeds of the Loan.

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

6.5 Notwithstanding Section 6.4, the Authority may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the Local Entity to be monitored or cause the rebate calculations for the Local Entity to be prepared, in either case at the expense of the Local Entity.

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

6.7 The Local Entity hereby agrees to file with the Authority upon completion of acquisition and construction of the Project a schedule setting forth the actual costs of the Project and sources of funds.

ARTICLE VII

Miscellaneous

7.1 Schedules X and Y shall be attached to this Loan Agreement by the Authority as soon as practicable after the Date of Loan Closing is established and shall be approved by an official action of the Local Entity supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority.

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

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

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

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

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

7.7 This Loan Agreement shall terminate upon the earlier of:

(i) written notice of termination to the Local Entity from either the Authority or BPH;

(ii) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by the BPH if the Local Entity has failed to deliver the Local Bonds to the Authority;

(iii) termination by the Authority and BPH pursuant to Section 6.2

hereof; or

{C2673501.1}

(iv) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Local Entity to the Authority or BPH.

In the event funds are not available to make all of the Loan, the responsibility of the Authority and BPH to make all the Loan is terminated; provided further that the obligation of the Local Entity to repay the outstanding amount of the Loan made by the Authority and BPH is not terminated due to such non-funding on any balance of the Loan. The BPH agrees to use its best efforts to have the amount contemplated under this Loan Agreement included in its budget. Non-funding of the Loan shall not be considered an event of default under this Loan Agreement.

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

TOWN OF CAPON BRIDGE

(SEAL)

By: 

Its: Mayor

Date: October 2, 2013

Attest:



Its: Clerk

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

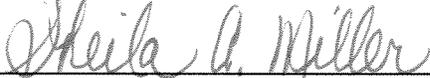
(SEAL)

By: 

Its: Executive Director

Date: October 2, 2013

Attest:



Its: Authorized Officer

EXHIBIT A

Monthly Financial Report

Name of Local Entity: _____
 Funding Agency Project No.: _____
 Type of Project: Water Wastewater
 Fiscal Year: _____
 Report Month: _____

<u>Item</u>	<u>Current Month</u>	<u>Total Year to Date</u>	<u>Budget Year to Date</u>	<u>*Budget Year to Date Minus Total Year to Date</u>
1. Gross Revenues:	0	0	0	0
2. Operating Expenses: (Including Admin Fees)	0	0	0	0
3. Renewal and Replacement Fund Deposits:	0	0	0	0
	Adequate R&R Deposit	Adequate R&R Deposit	Adequate R&R Deposit	
4. *Net Revenue: (Equation: 1-2-3)	0	0	0	0
5. Bond Payments: (Principal and Interest)				
<u>Type of Issue</u>				
Clean water SRF:				0
Drinking water SRF:				0
Infrastructure Fund:				0
Water Dev. Authority:				0
Rural Utilities Service:				0
Economic Development:				0
Other: (Identify Below)				0
*Bond Payment Total:	0	0	0	0
6.				
*Calculated Debt Coverage: (Equation: 4/6 * 100%)	#DIV/0!	#DIV/0!	#DIV/0!	
7.	#DIV/0!	#DIV/0!	#DIV/0!	

Name of Person Completing Form / Date

Address

Telephone Number

Please enter financial data in
Grey cells. (If applicable)

* Self Calculating Formula

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT (Exhibit A)

General Definitions

- **Total Year to Date** – Refers to the amount collected, spent, or deposited since the start of the current fiscal year through the current month.
- **Budget Year to Date** – Refers to the amount budgeted since the start of the fiscal year through current month.
- You will need a copy of the current fiscal year budget adopted by the Local Entity to complete the “Budget Year to Date” columns in Items 1 and 2.

- Item 1 In Item 1, provide the amount of actual **Gross Revenues** for the current month, and the total year to date amount and budget year-to-date amount in the respective columns.
- Item 2 Provide the amount of actual **Operating Expenses** for the current month, and the total year to date amount and budget year-to-date amount in the respective columns. All administrative fees should be included in the Operating Expenses.
- Item 3 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 5. For example, if Gross Revenues are \$1,200, then \$30 (2.5% of \$1,200), LESS the amount of all reserve account payments in Item 5 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Local Entity. An error message will appear if inadequate funds are deposited.
- Item 4 This number is automatically calculated.
- Item 5 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Local Entity according to the source of funding. Fill out the current month, total year to date, and the budget year to date columns for each bond. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, a loan from the Water Development Authority, etc.
- Item 6 This is the total bond payment that is automatically calculated by adding up all the payments in Item 5.
- Item 7 This is the percentage of debt coverage that is automatically calculated from the data you entered above. The bond requirement is that at least 115% debt coverage is maintained. An error message will appear if there is inadequate coverage.

The Local Entity must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10th day of each month, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following

EXHIBIT B

FORM OF CERTIFICATE OF CONSULTING ENGINEER

TOWN OF CAPON BRIDGE

WATER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA DWTRF PROGRAM)
WATER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA DWTRF PROGRAM)

I, _____, Registered Professional Engineer, West Virginia License No. _____, of _____ Consulting Engineers, _____, _____, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of _____ to the _____ system (the "Project") of the Town of Capon Bridge (the "Issuer"), to be constructed primarily in Hampshire County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words used herein and not defined herein shall have the same meaning set forth in the bond _____ adopted or enacted by the Issuer on _____, 20__, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health (the "BPH"), dated _____, 20__.

2. The Bonds are being issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and any change orders approved by the Issuer, the DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least ____ years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule attached hereto as Exhibit A, and my firm¹ has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project

¹If another responsible party, such as the Issuer's attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____, Esq.] and delete "my firm has ascertained that".

reflect the Project as approved by the DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof², the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Funding Assistance Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; (xi) the Project was designed and will be constructed in compliance with the provisions of West Virginia Code Chapter 22, Article 29; and (xii) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this ____ day of _____, 20__.

[SEAL]

By: _____

West Virginia License No. _____

²If the Rule 42 Exhibit and/or rate structure was prepared by an accountant, then insert the following: "In reliance upon the certificate of _____ of even date herewith," at the beginning of (ix).

EXHIBIT C

SPECIAL CONDITIONS

A. PUBLIC RELEASE REQUIREMENT – The Local Entity agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations, groundbreaking or project dedication program documents and other documents describing projects or programs funded in whole or in part with federal money, (1) the percentage of the total costs of the program or project which will be financed with federal money, (2) the dollar amount of federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

B. EXHIBIT C-1 – The Local Entity shall complete the form attached as Exhibit C-1 and submit to the BPH prior to the Closing.

EXHIBIT C-1

For OMB Use Only:
Grant Number _____

West Virginia Department of Health and Human Resources
Subrecipient (Grantee) Information Form
Please see the instructions for completion of the Subrecipient (Grantee) Information Form

1. Subrecipient (Grantee) Name

--

2. Subrecipient (Grantee) Location (Street Address, City State and Zip Code)

3. Subrecipient (Grantee) 9-Digit DUNS Number

--

4. Subrecipient (Grantee) Type (Please check one box only)

<input type="checkbox"/> State Government <input type="checkbox"/> County Government <input type="checkbox"/> City or Township Government <input type="checkbox"/> Special District Government <input type="checkbox"/> Regional Organization <input type="checkbox"/> U.S. Territory or Possession <input type="checkbox"/> Independent School District <input type="checkbox"/> Public/State Controlled Institution of Higher Learning <input type="checkbox"/> Indian/Native American Tribal Government (Federally Recognized) <input type="checkbox"/> Indian/Native American Tribal Government (Other than Federally Recognized) <input type="checkbox"/> Indian/Native American Tribally Designated Organization <input type="checkbox"/> Public/Indian Housing Authority	<input type="checkbox"/> Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education) <input type="checkbox"/> Nonprofit without 501C3 IRS Status (Other than Institution of Higher Education) <input type="checkbox"/> Private Institution of Higher Education <input type="checkbox"/> Individual <input type="checkbox"/> For-Profit Business (Other than Small Business) <input type="checkbox"/> Small Business <input type="checkbox"/> Hispanic-serving Institution <input type="checkbox"/> Historically Black Colleges and Universities (HBCUs) <input type="checkbox"/> Tribally Controlled Colleges and Universities (TCCUs) <input type="checkbox"/> Alaska Native and Native Hawaiian Serving Institutions <input type="checkbox"/> Non-domestic (non-US) entity <input type="checkbox"/> Other (Please explain) _____
--	--

5. Primary Performance Location (Street Address, City State and Zip Code)

6. Names, Titles and Total Compensation for the 5 Most Highly Compensated Officers

Officer Name	Title	Total Compensation

NOTE: This form must be signed by an individual no lower than the Executive Director or Chief Financial Officer.

Printed Name _____ Title _____
Signature _____ Date _____ Phone # _____

EXHIBIT D

MONTHLY PAYMENT FORM

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Re: [Name of bond issue]

Ladies and Gentlemen:

The following deposits were made to the West Virginia Municipal Bond Commission on behalf of the Town of Capon Bridge on _____, 20__.

Sinking Fund:

Interest \$ _____

Principal \$ _____

Total: \$ _____

Reserve Account: \$ _____

Witness my signature this ___ day of _____, 20__.

Town of Capon Bridge

By: _____
Authorized Officer

Enclosure: wire transfer form

EXHIBIT E

OPINION OF BOND COUNSEL FOR LOCAL ENTITY

[To Be Dated as of Date of Loan Closing]

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

West Virginia Bureau for Public Health
350 Capitol Street, Room 313
Charleston, WV 25301-3713

Ladies and Gentlemen:

We are bond counsel to the Town of Capon Bridge (the "Local Entity"), a
_____.

We have examined a certified copy of proceedings and other papers relating to the authorization of a (i) loan agreement dated _____, 20__, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Local Entity and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health (the "BPH"), and (ii) the issue of a series of revenue bonds of the Local Entity, dated _____, 20__ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of \$1,989,000 in the form of one bond, registered as to principal and interest to the Authority, with principal and interest payable quarterly on March 1, June 1, September 1, and December 1 of each year, beginning _____1, 20__, and ending _____1, 20__, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

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

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

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

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

3. The Local Entity is a duly organized and validly existing _____, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Local Entity and constitute valid and binding obligations of the Local Entity, enforceable against the Local Entity in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Local Entity to the Authority and are valid, legally enforceable and binding special obligations of the Local Entity, payable from the gross or net revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the gross or net revenues of the System, all in accordance with the terms of the Local Bonds and the Local Act.

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

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

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS; SERIES A BONDS AND SERIES B BONDS

A.	Series A Bonds (DWTRF Loan)	
	Principal Amount of Local Bonds	\$1,989,000
	Purchase Price of Local Bonds	\$1,989,000

The Local Bonds shall bear no interest. Commencing September 1, 2015, principal of the Local Bonds is payable quarterly, with an administrative fee of 1.0%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Local Entity shall submit its payments monthly to the Commission with instructions that the Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority. If the Reserve Account is not fully funded at closing, the Local Entity shall commence the payment of the 1/120 of the maximum annual debt service on the first day of the month it makes its first monthly payment to the Commission. The Local Entity shall instruct the Commission to notify the Authority of any monthly payments which are not received by the 20th day of the month in which the payment was due.

The Local Bonds are fully registered in the name of the Authority as to principal and interest, if any, and the Local Bonds shall grant the Authority a first lien on the gross or net revenues of the Local Entity's system as provided in the Local Act.

The Local Entity may prepay the Local Bonds in full at any time at the price of par upon 30 days' written notice to the Authority and BPH. The Local Entity shall request approval from the Authority and BPH in writing of any proposed debt which will be issued by the Local Entity on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

As of the date of the Loan Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Local Entity: None

Number of New Customers To Be Served: 0
Location: Town of Capon Bridge, Hampshire County

B.	Series B Bonds (DWTRF Forgiveness Loan)	
	Principal Amount of Local Bonds	\$450,814
	Purchase Price of Local Bonds	\$450,814

The Local Bonds shall bear no interest. The Authority at the direction of the BPH shall forgive the principal amount of the Local Bonds. The principal amounts advanced under the Series B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which

advanced. The Series B Bonds shall be deemed no longer outstanding after the last advance is forgiven.

The Local Bonds are fully registered in the name of the Authority.

The Local Entity shall make monthly payments into the Renewal and Replacement Fund as required by Section 4.1 of this Agreement for at least the term of the Local Bonds.

The Local Entity shall notify the Authority and the BPH of any proposed bond indebtedness secured by the revenues of the System.

SCHEDULE Y
DEBT SERVICE SCHEDULE

Net Debt Service						
Town of Capon Bridge						
DWTRF						
\$1,989,000						
0% Interest Rate						
1.0% Administrative Fee						
30 Years						
Date	Principal	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
9/1/2015	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2015	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2016	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2016	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2016	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2016	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2017	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2017	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2017	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2017	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2018	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2018	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2018	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2018	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2019	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2019	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2019	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2019	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2020	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2020	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2020	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2020	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2021	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2021	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2021	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2021	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2022	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2022	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2022	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2022	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2023	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2023	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2023	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2023	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2024	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2024	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2024	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2024	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2025	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2025	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2025	16,575		16,575	2,506.97		19,081.97
12/1/2025	16,575		16,575	2,506.97		19,081.97
3/1/2026	16,575		16,575	2,506.97		19,081.97
6/1/2026	16,575		16,575	2,506.97		19,081.97
9/1/2026	16,575		16,575	2,506.97		19,081.97
12/1/2026	16,575		16,575	2,506.97		19,081.97

Net Debt Service							
Town of Capon Bridge							
DWTRF							
\$1,989,000							
0% Interest Rate							
1.0% Administrative Fee							
30 Years							
	Date	Principal	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
	3/1/2027	16,575		16,575	2,506.97		19,081.97
	6/1/2027	16,575		16,575	2,506.97		19,081.97
	9/1/2027	16,575		16,575	2,506.97		19,081.97
	12/1/2027	16,575		16,575	2,506.97		19,081.97
	3/1/2028	16,575		16,575	2,506.97		19,081.97
	6/1/2028	16,575		16,575	2,506.97		19,081.97
	9/1/2028	16,575		16,575	2,506.97		19,081.97
	12/1/2028	16,575		16,575	2,506.97		19,081.97
	3/1/2029	16,575		16,575	2,506.97		19,081.97
	6/1/2029	16,575		16,575	2,506.97		19,081.97
	9/1/2029	16,575		16,575	2,506.97		19,081.97
	12/1/2029	16,575		16,575	2,506.97		19,081.97
	3/1/2030	16,575		16,575	2,506.97		19,081.97
	6/1/2030	16,575		16,575	2,506.97		19,081.97
	9/1/2030	16,575		16,575	2,506.97		19,081.97
	12/1/2030	16,575		16,575	2,506.97		19,081.97
	3/1/2031	16,575		16,575	2,506.97		19,081.97
	6/1/2031	16,575		16,575	2,506.97		19,081.97
	9/1/2031	16,575		16,575	2,506.97		19,081.97
	12/1/2031	16,575		16,575	2,506.97		19,081.97
	3/1/2032	16,575		16,575	2,506.97		19,081.97
	6/1/2032	16,575		16,575	2,506.97		19,081.97
	9/1/2032	16,575		16,575	2,506.97		19,081.97
	12/1/2032	16,575		16,575	2,506.97		19,081.97
	3/1/2033	16,575		16,575	2,506.97		19,081.97
	6/1/2033	16,575		16,575	2,506.97		19,081.97
	9/1/2033	16,575		16,575	2,506.97		19,081.97
	12/1/2033	16,575		16,575	2,506.97		19,081.97
	3/1/2034	16,575		16,575	2,506.97		19,081.97
	6/1/2034	16,575		16,575	2,506.97		19,081.97
	9/1/2034	16,575		16,575	2,506.97		19,081.97
	12/1/2034	16,575		16,575	2,506.97		19,081.97
	3/1/2035	16,575		16,575	2,506.97		19,081.97
	6/1/2035	16,575		16,575	2,506.97		19,081.97
	9/1/2035	16,575		16,575	2,506.97		19,081.97
	12/1/2035	16,575		16,575	2,506.97		19,081.97
	3/1/2036	16,575		16,575	2,506.97		19,081.97
	6/1/2036	16,575		16,575	2,506.97		19,081.97
	9/1/2036	16,575		16,575	2,506.97		19,081.97
	12/1/2036	16,575		16,575	2,506.97		19,081.97
	3/1/2037	16,575		16,575	2,506.97		19,081.97
	6/1/2037	16,575		16,575	2,506.97		19,081.97
	9/1/2037	16,575		16,575	2,506.97		19,081.97
	12/1/2037	16,575		16,575	2,506.97		19,081.97
	3/1/2038	16,575		16,575	2,506.97		19,081.97
	6/1/2038	16,575		16,575	2,506.97		19,081.97

Net Debt Service

Town of Capon Bridge

DWTRF

\$1,989,000

0% Interest Rate

1.0% Administrative Fee

30 Years

Date	Principal	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
9/1/2038	16,575		16,575	2,506.97		19,081.97
12/1/2038	16,575		16,575	2,506.97		19,081.97
3/1/2039	16,575		16,575	2,506.97		19,081.97
6/1/2039	16,575		16,575	2,506.97		19,081.97
9/1/2039	16,575		16,575	2,506.97		19,081.97
12/1/2039	16,575		16,575	2,506.97		19,081.97
3/1/2040	16,575		16,575	2,506.97		19,081.97
6/1/2040	16,575		16,575	2,506.97		19,081.97
9/1/2040	16,575		16,575	2,506.97		19,081.97
12/1/2040	16,575		16,575	2,506.97		19,081.97
3/1/2041	16,575		16,575	2,506.97		19,081.97
6/1/2041	16,575		16,575	2,506.97		19,081.97
9/1/2041	16,575		16,575	2,506.97		19,081.97
12/1/2041	16,575		16,575	2,506.97		19,081.97
3/1/2042	16,575		16,575	2,506.97		19,081.97
6/1/2042	16,575		16,575	2,506.97		19,081.97
9/1/2042	16,575		16,575	2,506.97		19,081.97
12/1/2042	16,575		16,575	2,506.97		19,081.97
3/1/2043	16,575		16,575	2,506.97		19,081.97
6/1/2043	16,575		16,575	2,506.97		19,081.97
9/1/2043	16,575		16,575	2,506.97		19,081.97
12/1/2043	16,575		16,575	2,506.97		19,081.97
3/1/2044	16,575		16,575	2,506.97		19,081.97
6/1/2044	16,575		16,575	2,506.97		19,081.97
9/1/2044	16,575		16,575	2,506.97		19,081.97
12/1/2044	16,575		16,575	2,506.97		19,081.97
3/1/2045	16,575		16,575	2,506.97		19,081.97
6/1/2045	16,575		16,575	2,506.97		19,081.97
	1,989,000		1,989,000	300,836.40	66,300.00	2,356,136.40

Notes:

Estimated Monthly Net Debt Service Payments:

\$6,913.16 June 1, 2015 through May 1, 2025 (based on maximum quarterly payment o

\$6,360.58 June 1, 2025 through May 1, 2045 (based on maximum quarterly payment o

Admin Fee calculated based on 1.0% of bond value computed quarterly paid in equ



Chase Tower, Eighth Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.steptoe-johnson.com

Writer's Contact Information
(304) 353-8196 – Telephone
(304) 353-8181 – Facsimile
John.Stump@steptoe-johnson.com

September 11, 2013

Via Hand Delivery

11:29 AM SEP 11 2013 PSC EXEC SEC DIV

Sandra Squire, *Executive Secretary*
Public Service Commission of West Virginia
201 Brooks Street
Charleston, West Virginia 25323

CASE NO.: 12-1557-W-CN

TOWN OF CAPON BRIDGE

Dear Ms. Squire:

Enclosed herein for filing on behalf of the Town of Capon Bridge, please find an affidavit by the Town's certified public accountant.

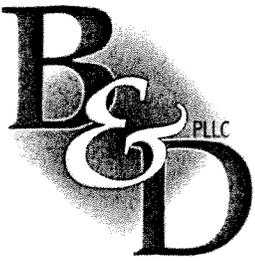
Please file the enclosed affidavit and distribute the additional copies to the appropriate parties at the Commission. Additionally, I ask that you date stamp the file copy provided and return it with our messenger. Thank you in advance for your attention to this matter, and should you have any questions please contact me at (304) 353-8196.

Best Regards,

A handwritten signature in black ink, appearing to read 'John C. Stump'.

John C. Stump
(W. V. State Bar No. 6385)

Enclosures



Bennett & Dobbins PLLC

CERTIFIED PUBLIC ACCOUNTANTS

317 Cleveland Avenue
Fairmont, WV 26554-1604
Telephone: (304) 366-4295 Fax: (304) 366-4311
PUBLIC SERVICE COMMISSION OF WEST VIRGINIA

GARY K. BENNETT, MBA-CPA
ZACHARY D. DOBBINS, CPA

CASE NO. 12-1557-W-CN
TOWN OF CAPON BRIDGE,
a municipality, Hampshire County.

Application for a certificate of convenience and necessity construct certain additions and improvements to its existing waterworks system; and for approval of the financing thereof.

STATE OF WEST VIRGINIA
COUNTY OF Marion, TO-WIT:

AFFIDAVIT

We have reviewed the Recommended Decision entered February 25, 2013 which became a Final Order on March 17, 2013 of the Public Service Commission of West Virginia in Case No. 12-1557-W-CN approving the financing consisting of consisting of a Drinking Water Treatment Revolving Fund loan in the amount of \$1,989,000 at 0.5% interest and 0.5% administrative fee for 30 years, a Drinking Water Treatment Revolving Fund principal forgiveness loan in the amount of \$493,000 and a \$100,000 grant from The County Commission of Hampshire County.

Based upon all the information that has been provided, to date, we are of the opinion that the rates and charges are not affected by the revised funding consisting of a Drinking Water Treatment Revolving Fund loan in the amount of \$1,989,000 at 0% interest and 1% administrative fee for 30 years, a Drinking Water Treatment Revolving Fund principal forgiveness loan in the amount of \$450,814 and a \$100,000 grant from The County Commission of Hampshire County.

This Affidavit is executed on the 10th day of September, 2013.

Bennett & Dobbins PLLC

Taken, subscribed and sworn to before me this 10th day of September, 2013.

My commission expires August 18, 2023.



Notary Public

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: February 25, 2013

FINAL

3/17/2013

CASE NO. 12-1557-W-CN

TOWN OF CAPON BRIDGE

a municipality, Hampshire County.

Application for a certificate of convenience
and necessity to construct certain additions
and improvements to its existing waterworks
system; and for approval of the financing thereof.

RECOMMENDED DECISION

INTRODUCTION

This Recommended Decision grants the certificate of public convenience and necessity subject to certain conditions.

PROCEDURE

On November 13, 2012, the Town of Capon Bridge (Town) filed a verified application for a certificate of convenience and necessity to construct certain additions and improvements to its existing waterworks system and for approval of the financing thereof. The Town proposes to construct certain additions and improvements to its existing waterworks system consisting of (i) replacement of approximately 21,000 linear feet of existing water line, which will include upgrading existing 4-inch lines to 6-inch and 8-inch pipe to allow for more reliable distribution and fire protection service, (ii) construction of a new 100-GPM booster pump station, which will be equipped with two 25-horsepower multi-stage centrifugal pumps rated at 100 GPM, (iii) installation of a new three-unit satellite telemetry system that will control the new booster pump station and monitor water levels in the existing West Tank and East Tank, and (iv) appurtenances relating thereto. The Town estimates that construction will cost approximately \$2,582,000.00. It is proposed that construction will be financed by a Drinking Water Treatment Revolving Fund (DWTRF) loan in the amount of \$1,989,000.00 for a term of 30 years at 0.5% interest and a 0.5% administrative fee, a DWTRF principal forgiveness loan in the amount of \$493,000.00, and a \$100,000.00 grant from the County Commission of Hampshire County.

By Procedural Order entered by the Commission on November 13, 2012, the Town was ordered to publish the Notice of Filing of the proposed certificate application as a Class I legal advertisement in a qualified newspaper, published and of general circulation in the counties where the Town provides service, filing confirmation of publication within 30 days of publication.

By Commission Order entered on November 27, 2012, this matter was referred to the Division of Administrative Law Judges with a decision date of April 29, 2013, if substantial protest was filed, and a decision due date of March 28, 2013, if no substantial protest was filed.

On December 17, 2012, Commission Staff filed an Initial Joint Staff Memorandum herein and sent its first data requests to the Town.

On December 19, 2012, the Town filed the Affidavit of Publication confirming that the Notice of Filing was published in The Hampshire Review, a qualified newspaper, published and of general circulation in Hampshire County.

On January 8, 2013, the Town filed a copy of a check from the County Commission of Hampshire County as part of the funding for the proposed project.

On February 11, 2013, a Final Joint Staff Memorandum was filed herein by Staff recommending approval of the project.

On February 21, 2013, the Town filed a response to the Final Joint Staff Memorandum filed herein on February 11, 2013, stating its agreement with the recommendations contained in that memorandum and specifically supporting Staff's recommendation that an Order be entered incorporating Staff's recommendations.

DISCUSSION

The project will replace and upgrade approximately 21,000 feet of waterline and replace the Town's booster system. Currently, the Town's system experiences 29% water loss due to issues with its deteriorated water lines. If constructed, the project will replace lines which have been identified as high maintenance. Many of those lines are 4-inch water lines which will be upgraded to 6-inch and 8-inch water lines in order to allow more reliable distribution and fire protection. In addition, the Town's existing booster station is outdated and performs poorly. The telemetry associated with the Town's system is faulty and unreliable and the access road to the booster station includes a street crossing which is difficult to cross, particularly in wet weather. As a result of the project, these deficiencies will be corrected. No new customers will be added as a result of the project; however, the Town's existing 300 customers will benefit from the improvements. The Staff Engineer has determined that, because the scope of the project appears to be reasonable, including the expected increase in O&M expenses by \$2,400, which is anticipated to be offset by a reduction in line maintenance and a reduction in lost water, the project is convenient. The project has been issued Permit No. 19,139 which indicates the State Office of Environmental Health Services' approval of the proposed construction. The Staff Engineer's review of the plans and specifications for the project did not reveal any conflicts with the Commission's applicable rules and regulations.

The Town estimates that the total cost for the construction will be \$2,582,000 to be financed by a Drinking Water Treatment Revolving Fund loan in the amount of \$1,989,000 with terms of 30 years at 0.5% interest and an administrative fee of 0.5%; a Drinking Water Treatment

Revolving Fund principal forgiveness loan in the amount of \$493,000; and a \$100,000 grant from the County Commission of Hampshire County. All funding letters for the project are included within the case file. The Financial Analyst reviewing this case has confirmed that, based upon the Town's cash flow statement provided with its application, the Town will have a surplus of \$6,593 with debt service coverage of 134%, which satisfies the requirements of its bond ordinance of 115%.

FINDINGS OF FACT

1. The Town of Capon Bridge filed a verified application for a certificate of public convenience and necessity on November 13, 2012, in order to construct certain additions and improvements to its existing waterworks system and for approval of the financing thereof. The Town proposes to construct certain additions and improvements to its existing waterworks system consisting of (i) replacement of approximately 21,000 linear feet of existing water line, which will include upgrading existing 4-inch lines to 6-inch and 8-inch pipe to allow for more reliable distribution and fire protection service, (ii) construction of a new 100-GPM booster pump station, which will be equipped with two 25-horsepower multi-stage centrifugal pumps rated at 100 GPM, (iii) installation of a new three-unit satellite telemetry system that will control the new booster pump station and monitor water levels in the existing West Tank and East Tank, and (iv) appurtenances relating thereto. The Town estimates that construction will cost approximately \$2,582,000.00. It is proposed that construction will be financed by a Drinking Water Treatment Revolving Fund loan in the amount of \$1,989,000.00 for a term of 30 years at 0.5% interest and a 0.5% administrative fee, a Drinking Water Treatment Revolving Fund principal forgiveness loan in the amount of \$493,000.00, and a \$100,000.00 grant from The County Commission of Hampshire County. (Application filed herein on November 13, 2012).

2. Among other things, the project will replace and upgrade approximately 21,000 feet of waterline and replace the Town's booster system. Currently, the Town's system experiences 29% water loss due to issues with its deteriorated water lines. If constructed, the project will replace lines which have been identified as high maintenance. Many of those lines are 4-inch water lines which will be upgraded to 6-inch and 8-inch water lines in order to allow more reliable distribution and fire protection. In addition, the Town's existing booster station is outdated and performs poorly. The telemetry associated with the Town's system is faulty and unreliable and the access road to the booster station includes a street crossing which is difficult to cross, particularly in wet weather. As a result of the project, these deficiencies will be corrected. (Final Joint Staff Memorandum filed February 11, 2013).

3. All funding commitment letters are contained in the case file. (Final Joint Staff Memorandum filed February 11, 2013).

4. After investigation and review, Commission Staff recommended that the project be approved. The Town's rates are sufficient to support the proposed project. There are no inconsistencies between the proposed project and the Commission's applicable rules. The proposed project has been issued Permit No. 19,139 by the West Virginia Bureau of Public Health's Office of Environmental Services, indicating that agency's approval of the project, and

has been approved by the West Virginia Infrastructure and Jobs Development Council. In addition, the proposed project will correct several deficiencies in the Town's water system, including high water loss. (Final Joint Staff Memorandum filed on February 11, 2013).

5. An affidavit of publication was filed by the Town evidencing that the Notice of Filing was published as a Class I legal advertisement in The Hampshire Review, a qualified newspaper, published and of general circulation in Hampshire County, on November 28, 2012. As of today's date, no protest has been filed in response to that publication. (Town's December 19, 2012 filing; case file generally).

CONCLUSIONS OF LAW

1. The public convenience and necessity require the proposed project.
2. The project is financially feasible and fully funded.
3. It is reasonable to issue a certificate of public convenience and necessity for the Town of Capon Bridge's project so that the Town may curtail its water loss, enhance the efficiency and operations of its system, and improve the quality of water service provided to its customers.

ORDER

IT IS, THEREFORE, ORDERED that the verified certificate application filed by the Town of Capon Bridge with the Public Service Commission on November 13, 2012, to make certain improvements to its water system pursuant to West Virginia Code §24-2-11, at an estimated cost not to exceed \$2,582,000, be, and hereby is, granted.

IT IS FURTHER ORDERED that the financing for the project, consisting of a Drinking Water Treatment Revolving Fund loan in the amount of \$1,989,000.00 for a term of 30 years at 0.5% interest and a 0.5% administrative fee, a Drinking Water Treatment Revolving Fund principal forgiveness loan in the amount of \$493,000.00, and a \$100,000.00 grant from The County Commission of Hampshire County, be, and hereby is, approved.

IT IS FURTHER ORDERED that the Town of Capon Bridge obtain additional Commission approval, prior to construction, if the plans or scope of the project changes.

IT IS FURTHER ORDERED that, if a change in the project cost does not change project rates, no additional Commission approval is necessary; however, the Town of Capon Bridge will be required to file an affidavit executed by its certified public accountant, verifying that the Town of Capon Bridge's rates and charges are not affected.

IT IS FURTHER ORDERED that the Town of Capon Bridge file with the Commission a copy of the engineer's certified bid tabulations for all contracts awarded for the project within ten (10) days of their award and submit a copy of the Certificate of Substantial Completion

issued for each construction contract associated with the project, as soon as they become available.

IT IS FURTHER ORDERED that, if the project certificated herein requires the use of any West Virginia Department of Highways' rights-of-way, the Town of Capon Bridge follow all applicable rules and regulations of the Department of Highways regarding those rights-of-way.

IT IS FURTHER ORDERED that this case be, and it hereby is, stricken from the Commission's docket of open cases.

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and by electronic service upon all parties of record who have filed an e-service agreement with the Commission and by United States Certified Mail, return receipt requested, upon all parties of record who have not filed an e-service agreement with the Commission.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission.


Meyishi Pearl Blair
Administrative Law Judge

MPB:s:cdk
121557a.doc



Chase Tower, Eighth Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
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Writer's Contact Information
(304) 353-8148 - Telephone
(304) 353-8180 - Facsimile
todd.swanson@steptoel-johnson.com
WVSB No. 10509

December 19, 2012

VIA HAND DELIVERY

Sandra Squire, *Executive Secretary*
Public Service Commission of West Virginia
201 Brooks Street
Charleston, West Virginia 25323

01:15 PM DEC 19 2012 PSC EXEC SEC DIV

Re: **CASE NO. 12-1557-W-CN**
TOWN OF CAPON BRIDGE
Hampshire County, West Virginia

Application for a certificate of convenience and necessity to construct certain additions and improvements to its existing waterworks system; and for approval of the financing thereof.

Dear Ms. Squire:

Enclosed herein for filing on behalf of the Town of Capon Bridge, please find the original and twelve (12) copies of the affidavit of publication verifying publication of the Notice of Filing in the *Hampshire Review* on November 28, 2012.

I ask that you please file the enclosed affidavit and distribute the additional copies to the appropriate parties at the Commission. Additionally, please date stamp the file copy provided and return it with our messenger.

Thank you in advance for your attention to this matter, and please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Todd M. Swanson', written over a horizontal line.

Todd M. Swanson

TMS
Encl.
cc (w/ encl.): Honorable Stephen Sirbaugh
Daniel E. Ferrell, P.E.
Terry Lively
Zachary D. Dobbins, CPA

124500.00002

CH6163649.1

STATE OF WEST VIRGINIA
COUNTY OF HAMPSHIRE,
TO WIT:

The Undersigned hereby certifies that the Annexed notice was duly published in the HAMPSHIRE REVIEW, a weekly Newspaper published in said county, for 1 consecutive weeks, commencing On the 28th day of November 2012.

CORNWELL & AILES, INC.
PUBLISHERS

BY: Jennifer L. See
WORDS 1664 COST 207.18

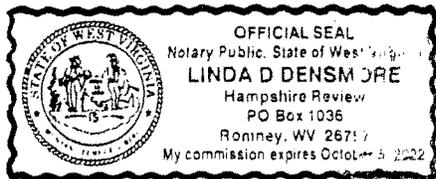
STATE OF WEST VIRGINIA
County of Hampshire, to wit:

I hereby certify that the said
Jennifer L. See

did prepare and sign in my presence this Certificate of Publication on this the 28th day of November 2012.

My commission expires October 5, 2022

Linda D Densmore
Linda D Densmore



PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered by the Public Service Commission of West Virginia, in the City of Charleston on the 13th day of November 2012.

CASE NO.: 12-1557-W-CN

TOWN OF CAPON BRIDGE
Hampshire County, West Virginia

Application for a certificate of convenience and necessity to construct certain additions and improvements to its existing waterworks system; and for approval of the financing thereof.

NOTICE OF FILING

On November 13, 2012, the Town of Capon Bridge (the "Town") filed an application, duly verified, for a Certificate to construct certain additions and improvements to the Town's existing waterworks system in Hampshire County.

The Town proposes to construct certain additions and improvements to its existing waterworks system consisting of (i) replacement of approximately 21,000 linear feet of existing water line, which will include upgrading existing 4-inch lines to 6-inch and 8-inch pipe to allow for more reliable distribution and fire protection service, (ii) construction of a new 100 GPM booster pump station, which will be equipped with two 25 horsepower multi-stage centrifugal pumps rated at 100 GPM, (iii) installation of a new three-unit satellite telemetry system that will control the new booster pump station and monitor water levels in the existing West Tank and East Tank, and (v) appurtenances relating thereto.

The application is on file with and available for public inspection at the Public Service Commission, 201 Brooks Street, Charleston, West Virginia.

The Town estimates that construction will cost approximately \$2,582,000.00. It is proposed that construction will be financed by a Drinking Water Treatment Revolving Fund ("DWTRF") loan in the amount of \$1,989,000.00 for a term of 30 years at 0.5% interest, a DWTRF principal forgiveness loan in the amount of \$493,000.00, and a \$100,000.00 grant from The County Commission of Hampshire County.

The Town anticipates charging the following rates, which are in the process of being enacted by Town Council following municipal ordinance procedures.

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY OF SERVICE

Available for general domestic, commercial, and industrial.

RATES

First	2,000	gallons used per month	\$12.17	per 1,000 gallons
Next	18,000	gallons used per month	\$10.01	per 1,000 gallons
All Over	20,000	gallons used per month	\$9.78	per 1,000 gallons

MINIMUM CHARGE

5/8	inch meter	\$24.34	per month
3/4	inch meter	\$36.51	per month
1	inch meter	\$60.85	per month
1 1/2	inch meter	\$121.70	per month
2	inch meter	\$194.72	per month
3	inch meter	\$389.44	per month

DELAYED PAYMENT PENALTY

The above tariff is net. On all accounts not paid in full within twenty (20) days of date of bill, ten percent (10%) will be added to the net amount shown. This delayed payment penalty is not interest and is only to be collected once for each bill where it is appropriate.

CONNECTION CHARGE

\$1,000.00

RECONNECTION FEE

\$25.00

SECURITY DEPOSIT

\$50.00

These rates represent the following project-related increases that will become effective pursuant to municipal ordinance:

<u>TYPE OF CUSTOMER</u>	<u>(\$)</u>	<u>INCREASE</u>	<u>INCREASE (%)</u>
Domestic (3,410 gallons)	\$15.83		70%
Commercial (4,425 gallons)	\$20.01		70%
Industrial (23,702 gallons)	\$99.10		70%

The Town has no resale customers.

The rate increase related to the project will produce approximately \$81,576 annually in additional revenue, an increase of 70%. These increases are in the process of being enacted by Town Council following municipal ordinance procedure and can be challenged only through a proper petition as set forth in W. Va. Code § 24-2-4b.

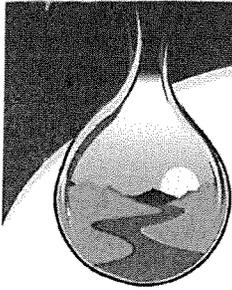
The increases shown are based on averages of all customers in the indicated class. Individual customers may receive increases that are greater or less than average.

Anyone desiring to protest or intervene in the Certificate proceeding should file a written protest or request to intervene within thirty (30) days following the date of this publication unless otherwise modified by Commission order. Failure to timely protest or intervene can affect your right to protest aspects of this certificate case or participate in future proceedings. All protests or requests to intervene should briefly state the reason for the protest or request to intervene. Requests to intervene must comply with the rules on intervention set forth in the Commission *Rules of Practice and Procedure*. All protests and requests to intervene should be addressed to Executive Secretary, P.O. Box 812, Charleston, West Virginia 25323.

In the absence of substantial protest received within thirty (30) days of this publication, the Commission may waive formal hearing and grant the application based on Commission review of the evidence submitted with the application.

TOWN OF CAPON BRIDGE

11-28-1c



WEST VIRGINIA

Infrastructure & Jobs Development Council

Gov. Earl Ray Tomblin
Chairman

Kenneth Lowe, Jr.
Public Member

David "Bones" McComas
Public Member

Ron Justice
Public Member

Louis R. Spatafore
Public Member

Joseph Freeland
Public Member

D. K. "Bud" Carr
Public Member

James W. Ellars, P.E.
Executive Director

Barbara J. Pauley
Administrative Secretary

April 13, 2011

The Honorable Donald Largent
Mayor, Town of Capon Bridge
P.O. Box 183
Capon Bridge, WV 26711

Re: Town of Capon Bridge
Water Project 2011W-1234

Dear Mayor Largent:

The West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) has reviewed the Town of Capon Bridge's (Town) preliminary application for water line and booster pump station replacements to reduce water loss and increase water system reliability (Project).

Based on the findings of the Water Technical Review Committee, the Infrastructure Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The Town should carefully review the enclosed comments of the Water Technical Review Committee as the Town may need to address certain issues raised in said comments as it proceeds with the Project.

Upon consideration of the preliminary application, the Infrastructure Council recommends that the Town pursue a \$1,989,000 Drinking Water Treatment Revolving Fund loan (1%, 30 yrs) and a \$493,000 Small Cities Block grant to fund this \$2,482,000 Project. Please contact the West Virginia Bureau for Public Health at 304-558-6749 and the West Virginia Development office at 304-558-2234 for specific information on the steps the Town needs to follow to apply for these funds. **Please note that this letter does not constitute funding approval from these agencies.**

If you have any questions regarding this matter, please contact James W. Ellars at 304-414-6501 (X106).

Sincerely,

Kenneth Lowe, Jr.

Enclosure

cc: Bob Decrease, P.E., BPH (w/o enclosure) (via e-mail)
Jeanna Bailes, WVDO (w/o enclosure) (via e-mail)
Dan Ferrell, P.E., Thrasher Engineering, Inc.
Terry Lively, Region VIII Planning & Development Council



STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
BUREAU FOR PUBLIC HEALTH
OFFICE OF ENVIRONMENTAL HEALTH SERVICES

Earl Ray Tomblin
Governor

Rocco S. Fucillo
Cabinet Secretary

May 21, 2013

The Honorable Stephen Sirbaugh
Town of Capon Bridge
Post Office Box 183
Capon Bridge, WV 26711

RE: Binding Commitment Letter
Town of Capon Bridge
IJDC Project No.: 2011W-1234
SRF Project No.: 11DWTRFB014
Hampshire County

Dear Mayor Sirbaugh:

The Bureau for Public Health (Bureau) provides this contingent binding offer for a Drinking Water Treatment Revolving Fund (DWTRF) repayment loan of approximately **\$1,989,000** and **\$493,000 Principal Forgiveness** for the Town of Capon Bridge (Town) proposed project that will replace part of the existing distribution system and update a booster pump station.

The loan will be subject to the terms set forth on "**Schedule A**" attached hereto and incorporated herein by reference. The final loan amount will be established after the Town has received bids for the project. The loan agreement will be between the Town and West Virginia Water Development Authority (WDA), who is the administrator of the DWTRF, acting on behalf of the Bureau.

This loan commitment is contingent upon the Town's meeting the following:

- a. Advertise bids for the project by **August 1, 2013**
- b. Closing the construction loan by **December 31, 2013**

If the Town becomes aware that it will not be able to comply with the milestones listed above, they should immediately notify the Bureau of this fact and the circumstances which have caused the project delay.

Dear Mayor Sirbaugh
Town of Capon Bridge – 11DWTRFB014
May 21, 2013
Page Two

If you have any questions regarding this loan commitment, please contact me at (304) 356-4301 or email robert.w.decrease@wv.gov.

Very truly yours,



Robert W. DeCrease, P.E., Manager
Infrastructure & Capacity Development
Environmental Engineering Division

RWD:lch

Enclosures

pc: Dan Ferrell, Thrasher (email copy)
Chris Jarrett, WDA (email copy)
Samme L. Gee, Esquire, Jackson & Kelly (email copy)
OEHS Kearneysville District Office (email copy)
Zach Dobbins (email copy)
Jim Ellars, WV IJDC (email copy)
Pam Keplinger, Region 8 (email copy)
John Stump, Steptoe & Johnson (email copy)
Katy Mallory, Steptoe & Johnson (email copy)

NOTE: This letter is sent in **triplicate**. Please acknowledge receipt on **two copies** and immediately return them both to the Bureau for Public Health, Attention: Robert W. DeCrease, 350 Capitol Street, Room 313, Charleston, WV 25301-3713.

Town of Capon Bridge

By: _____

Title: _____

Date: _____

**WEST VIRGINIA BUREAU FOR PUBLIC HEALTH
DRINKING WATER TREATMENT REVOLVING FUND**

(Binding Commitment)

“SCHEDULE A”

May 21, 2013

A. PROJECT:

Town of Capon Bridge
Water System Improvement Project
Hampshire County
IJDC No.: 2011W-1234
DWTRF No.: 11DWTRFB014

B. DRINKING WATER TREATMENT REVOLVING FUND:

Loan A

(DWTRF Base Program): \$ 1,989,000
Terms: 0%
Maturity Date: 30 years
Administration Fee: 1% (Paid evenly over 30 years)
Special Conditions: Annual debt service and administration fee payment is estimated to be \$76,600 plus reserve requirement.

Loan B

(DWTRF Base Program): \$ 493,000
Terms: Principal Forgiveness
Maturity Date: Same year as loan closing
Administration Fee: Fee is waived
Special Conditions: There is no repayment of this loan

Final loan amount will be determined upon receipt of contract bids.

C. OTHER FUNDING SOURCES: Hampshire County Commission - \$100,000

D. TOTAL PROJECT COST: \$2,582,000

E. PROPOSED USER RATES: Post-project user rates are expected to be \$38.66 monthly rate for 4,000 gallons.

TOWN OF CAPON BRIDGE

Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On the 2nd day of October, 2013, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Mayor of the Town of Capon Bridge (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), of the Issuer, in the principal amount of \$1,989,000, numbered AR-1 (the "Series 2013 A Bonds") and the Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), in the principal amount of \$450,814, numbered BR-1 (the "Series 2013 B Bonds"), each issued as a single, fully registered Bond, and both dated October 2, 2013.

2. At the time of such receipt, all the Series 2013 A Bonds and Series 2013 B Bonds had been executed by the Mayor and the Clerk of the Issuer by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Series 2013 A Bonds and Series 2013 B Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2013 A Bonds, of the sum of \$283,726, being a portion of the principal amount of the Series 2013 A Bonds. The balance of the principal amount of the Series 2013 A Bonds will be advanced by the Authority and the West Virginia Bureau for Public Health to the Issuer as acquisition and construction of the Project progresses.

4. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2013 B Bonds, of the sum of \$-0-, being a portion of the principal amount of the Series 2013 B Bonds. The balance of the principal amount of the Series 2013 B Bonds will be advanced by the Authority and the West Virginia Bureau for Public Health to the Issuer as acquisition and construction of the Project progresses.

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Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

By: Sheena Chadwell
Its: Authorized Representative

TOWN OF CAPON BRIDGE

By: Steve Smith
Its: Mayor

124500.00001

TOWN OF CAPON BRIDGE

Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

There are delivered to you herewith on this 2nd day of October, 2013:

(1) Bond No. AR-1, constituting the entire original issue of the Town of Capon Bridge Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), in the principal amount of \$1,989,000 (the "Series 2013 A Bonds") and Bond No. BR-1 constituting the entire Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), in the principal amount of \$450,814 (the "Series 2013 B Bonds"), both dated October 2, 2013 (collectively the "Series 2013 Bonds"), executed by the Mayor and Clerk of the Town of Capon Bridge (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Ordinance duly enacted by the Issuer on September 10, 2013, and a Supplemental Resolution duly adopted by the Issuer on September 10, 2013 (collectively, the "Bond Legislation");

(2) A copy of the Bond Legislation authorizing the above-captioned Bonds, duly certified by the Clerk of the Issuer;

(3) Executed counterparts of a Loan Agreement for the Series 2013 A Bonds and the Series 2013 B Bonds, dated October 2, 2013 by and between the Issuer and the West Virginia Water Development Authority, on behalf of the West Virginia Bureau for Public Health (the "Loan Agreement"); and

(4) Executed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Series 2013 A Bonds.

You are hereby requested and authorized to deliver the Series 2013 A Bonds to the Authority upon payment to the Issuer of the sum of \$283,726, representing a portion of the principal amount of the Series 2013 A Bonds. You are further hereby requested and authorized to deliver the

Series 2013 B Bonds to the Authority upon payment to the Issuer of the sum of \$-0-, representing a portion of the principal amount of the Series 2013 B Bonds. Prior to such delivery of the Series 2013 Bonds, you will please cause the Series 2013 Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first written above.

TOWN OF CAPON BRIDGE

By: 
Its: Mayor

124500.00001

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF CAPON BRIDGE
WATER REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA DWTRF PROGRAM)

No. AR-1

\$1,989,000

KNOW ALL MEN BY THESE PRESENTS: That on this the 2nd day of October, 2013, the TOWN OF CAPON BRIDGE, a municipal corporation and political subdivision of the State of West Virginia in Hampshire County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of ONE MILLION NINE HUNDRED EIGHTY-NINE THOUSAND DOLLARS (\$1,989,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2015 to and including June 1, 2045, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The DWTRF Administrative Fee of 1% (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2015, as set forth on said EXHIBIT B.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated October 2, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds and related costs. The existing public waterworks system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on September 10, 2013, and a Supplemental Resolution duly

adopted by the Issuer on September 10, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THE ISSUER HAS NO BONDS OR OBLIGATIONS OTHER THAN THIS BOND WHICH IS SECURED BY GROSS REVENUES OF THE SYSTEM.

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues, and from monies in the reserve account created under the Bond Legislation for the Series 2013 A Bonds (the "Series 2013 A Bonds Reserve Account"), and unexpended proceeds of the Series 2013 A Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Gross Revenues, the monies in the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Series 2013 A Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Series 2013 A Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 A Bonds; provided however, that, so long as there exists in the Series 2013 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Series 2013 A Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior and subordinate to the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar (as defined in the Bond Legislation) by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney duly authorized in writing.

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

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

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

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

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IN WITNESS WHEREOF, the TOWN OF CAPON BRIDGE has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated as of the day and year first written above.

[SEAL]


Mayor

ATTEST:


Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: October 2, 2013.

THE HUNTINGTON NATIONAL BANK,
as Registrar

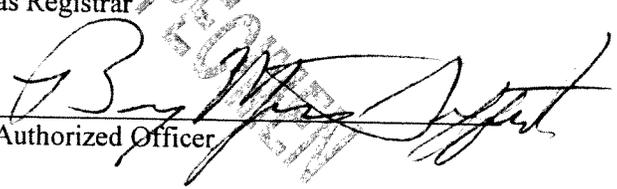

Authorized Officer

EXHIBIT A
RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$283,726	10/02/2013	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL \$ _____

EXHIBIT B

DEBT SERVICE SCHEDULE

Net Debt Service
Town of Capon Bridge
DWTRF
\$1,989,000
0% Interest Rate
1.0% Administrative Fee

Date	Principal	Interest	30 Years		Reserve Fund	Net Debt Service
			Total Debt	Admin Fee		
9/1/2015	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2015	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2016	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2016	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2016	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2016	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2017	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2017	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2017	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2017	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2018	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2018	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2018	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2018	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2019	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2019	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2019	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2019	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2020	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2020	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2020	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2020	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2021	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2021	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2021	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2021	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2022	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2022	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2022	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2022	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2023	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2023	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2023	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2023	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2024	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2024	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2024	16,575		16,575	2,506.97	1,657.50	20,739.47
12/1/2024	16,575		16,575	2,506.97	1,657.50	20,739.47
3/1/2025	16,575		16,575	2,506.97	1,657.50	20,739.47
6/1/2025	16,575		16,575	2,506.97	1,657.50	20,739.47
9/1/2025	16,575		16,575	2,506.97		19,081.97
12/1/2025	16,575		16,575	2,506.97		19,081.97
3/1/2026	16,575		16,575	2,506.97		19,081.97
6/1/2026	16,575		16,575	2,506.97		19,081.97
9/1/2026	16,575		16,575	2,506.97		19,081.97
12/1/2026	16,575		16,575	2,506.97		19,081.97

Net Debt Service
 Town of Capon Bridge
 DWTRF
 \$1,989,000
 0% Interest Rate
 1.0% Administrative Fee
 30 Years

Date	Principal	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
3/1/2027	16,575		16,575	2,506.97		19,081.97
6/1/2027	16,575		16,575	2,506.97		19,081.97
9/1/2027	16,575		16,575	2,506.97		19,081.97
12/1/2027	16,575		16,575	2,506.97		19,081.97
3/1/2028	16,575		16,575	2,506.97		19,081.97
6/1/2028	16,575		16,575	2,506.97		19,081.97
9/1/2028	16,575		16,575	2,506.97		19,081.97
12/1/2028	16,575		16,575	2,506.97		19,081.97
3/1/2029	16,575		16,575	2,506.97		19,081.97
6/1/2029	16,575		16,575	2,506.97		19,081.97
9/1/2029	16,575		16,575	2,506.97		19,081.97
12/1/2029	16,575		16,575	2,506.97		19,081.97
3/1/2030	16,575		16,575	2,506.97		19,081.97
6/1/2030	16,575		16,575	2,506.97		19,081.97
9/1/2030	16,575		16,575	2,506.97		19,081.97
12/1/2030	16,575		16,575	2,506.97		19,081.97
3/1/2031	16,575		16,575	2,506.97		19,081.97
6/1/2031	16,575		16,575	2,506.97		19,081.97
9/1/2031	16,575		16,575	2,506.97		19,081.97
12/1/2031	16,575		16,575	2,506.97		19,081.97
3/1/2032	16,575		16,575	2,506.97		19,081.97
6/1/2032	16,575		16,575	2,506.97		19,081.97
9/1/2032	16,575		16,575	2,506.97		19,081.97
12/1/2032	16,575		16,575	2,506.97		19,081.97
3/1/2033	16,575		16,575	2,506.97		19,081.97
6/1/2033	16,575		16,575	2,506.97		19,081.97
9/1/2033	16,575		16,575	2,506.97		19,081.97
12/1/2033	16,575		16,575	2,506.97		19,081.97
3/1/2034	16,575		16,575	2,506.97		19,081.97
6/1/2034	16,575		16,575	2,506.97		19,081.97
9/1/2034	16,575		16,575	2,506.97		19,081.97
12/1/2034	16,575		16,575	2,506.97		19,081.97
3/1/2035	16,575		16,575	2,506.97		19,081.97
6/1/2035	16,575		16,575	2,506.97		19,081.97
9/1/2035	16,575		16,575	2,506.97		19,081.97
12/1/2035	16,575		16,575	2,506.97		19,081.97
3/1/2036	16,575		16,575	2,506.97		19,081.97
6/1/2036	16,575		16,575	2,506.97		19,081.97
9/1/2036	16,575		16,575	2,506.97		19,081.97
12/1/2036	16,575		16,575	2,506.97		19,081.97
3/1/2037	16,575		16,575	2,506.97		19,081.97
6/1/2037	16,575		16,575	2,506.97		19,081.97
9/1/2037	16,575		16,575	2,506.97		19,081.97
12/1/2037	16,575		16,575	2,506.97		19,081.97
3/1/2038	16,575		16,575	2,506.97		19,081.97
6/1/2038	16,575		16,575	2,506.97		19,081.97

Net Debt Service
Town of Capon Bridge
DWTRF
\$1,989,000
0% Interest Rate
1.0% Administrative Fee
30 Years

Date	Principal	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
9/1/2038	16,575		16,575	2,506.97		19,081.97
12/1/2038	16,575		16,575	2,506.97		19,081.97
3/1/2039	16,575		16,575	2,506.97		19,081.97
6/1/2039	16,575		16,575	2,506.97		19,081.97
9/1/2039	16,575		16,575	2,506.97		19,081.97
12/1/2039	16,575		16,575	2,506.97		19,081.97
3/1/2040	16,575		16,575	2,506.97		19,081.97
6/1/2040	16,575		16,575	2,506.97		19,081.97
9/1/2040	16,575		16,575	2,506.97		19,081.97
12/1/2040	16,575		16,575	2,506.97		19,081.97
3/1/2041	16,575		16,575	2,506.97		19,081.97
6/1/2041	16,575		16,575	2,506.97		19,081.97
9/1/2041	16,575		16,575	2,506.97		19,081.97
12/1/2041	16,575		16,575	2,506.97		19,081.97
3/1/2042	16,575		16,575	2,506.97		19,081.97
6/1/2042	16,575		16,575	2,506.97		19,081.97
9/1/2042	16,575		16,575	2,506.97		19,081.97
12/1/2042	16,575		16,575	2,506.97		19,081.97
3/1/2043	16,575		16,575	2,506.97		19,081.97
6/1/2043	16,575		16,575	2,506.97		19,081.97
9/1/2043	16,575		16,575	2,506.97		19,081.97
12/1/2043	16,575		16,575	2,506.97		19,081.97
3/1/2044	16,575		16,575	2,506.97		19,081.97
6/1/2044	16,575		16,575	2,506.97		19,081.97
9/1/2044	16,575		16,575	2,506.97		19,081.97
12/1/2044	16,575		16,575	2,506.97		19,081.97
3/1/2045	16,575		16,575	2,506.97		19,081.97
6/1/2045	16,575		16,575	2,506.97		19,081.97
	1,989,000		1,989,000	300,836.40	66,300.00	2,356,136.40

Notes:

Estimated Monthly Net Debt Service Payments:

\$6,913.16 June 1, 2015 through May 1, 2025 (based on maximum quarterly payment of \$20,739.47)

\$6,360.58 June 1, 2025 through May 1, 2045 (based on maximum quarterly payment of \$19,081.97)

Admin Fee calculated based on 1.0% of bond value computed quarterly paid in equal quarterly paym

(Form of)

ASSIGNMENT

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

Dated: _____, 20____.

In the presence of:

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF CAPON BRIDGE
WATER REVENUE BONDS, SERIES 2013 B
(WEST VIRGINIA DWTRF PROGRAM)

No. BR-1

\$450,814

KNOW ALL MEN BY THESE PRESENTS: That on this the 2nd day of October, 2013, the TOWN OF CAPON BRIDGE, a municipal corporation and political subdivision of the State of West Virginia in Hampshire County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of FOUR HUNDRED FIFTY THOUSAND EIGHT HUNDRED FOURTEEN DOLLARS (\$450,814), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously forgiven, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference. The Series 2013 B Bonds are not subject to the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation).

This Bond shall bear no interest. The principal amounts advanced under the Series 2013 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2013 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated October 2, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds and related costs. The existing public waterworks system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on September 10, 2013, and a Supplemental Resolution duly adopted by the Issuer on September 10, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS FORGIVABLE AND HAS NO LIEN ON THE GROSS REVENUES OR NET REVENUES OF THE SYSTEM.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar (as defined in the Bond Legislation) by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney duly authorized in writing.

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the TOWN OF CAPON BRIDGE has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated as of the day and year first written above.

[SEAL]



Mayor

ATTEST:



Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: October 2, 2013.

THE HUNTINGTON NATIONAL BANK,
as Registrar


Authorized Officer

EXHIBIT A
RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$-0-	10/02/2013	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL \$ _____

(Form of)

ASSIGNMENT

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

Dated: _____, 20__.

In the presence of:



Chase Tower, Eighth Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.stepToe-johnson.com

Writer's Contact Information

October 2, 2013

Town of Capon Bridge
Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program)

Town of Capon Bridge
Capon Bridge, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Bureau for Public Health
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the Town of Capon Bridge (the "Issuer"), a municipal corporation and political subdivision created and existing under the laws of the State of West Virginia, of its \$1,989,000 Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a Loan Agreement dated October 2, 2013, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health (the "BPH"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered to the Authority, bearing no interest, with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2015, to and including June 1, 2045, all as set forth in "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Series 2013 A Bonds are subject to the Administrative Fee equal to 1% of the principal amount of the Series 2013 A Bonds as set forth in the Schedule Y attached to the Loan Agreement.

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 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer; and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act and the Bond Ordinance duly enacted by the Issuer on September 10, 2013, as supplemented by a Supplemental Resolution duly adopted by the Issuer on September 10, 2013 (collectively, the “Bond Legislation”), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

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

1. The Issuer is a duly created and validly existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.
2. The Loan Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the BPH and cannot be amended by the Issuer so as to affect adversely the rights of the Authority or the BPH or diminish the obligations of the Issuer without the written consent of the Authority and the BPH.
3. The Bond Legislation and all other necessary ordinances, orders and resolutions have been duly and effectively enacted and adopted by the Issuer in connection with the issuance and sale of the Bonds and constitutes valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.
4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Gross Revenues of the System and secured by a first lien on and pledge of the Gross Revenues of the System.
5. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality or county commission, political subdivision or agency thereof, and the interest, if any, on the Bonds is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.
6. The Bonds have not been issued on the basis that the interest thereon, if any, is or will be excluded from the gross income of the owners thereof for federal income tax purposes. We express no opinion regarding the excludability of such interest from the gross income of the owners thereof for federal income tax purposes or other federal tax consequences arising with respect to the Bonds.

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

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

Very truly yours,



STEPHENS & JOHNSON PLLC

ROYCE B. SAVILLE, PLLC

ATTORNEY AT LAW

95 WEST MAIN STREET

P. O. BOX 2000

ROMNEY, WEST VIRGINIA 26757

(304) 822-3875

FAX (304) 822-7455

October 2 2013

Town of Capon Bridge
Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

Town of Capon Bridge
Capon Bridge, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Bureau for Public Health
Charleston, West Virginia

Dear Ladies & Gentlemen:

I am counsel to the Town of Capon Bridge, in Hampshire County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, a loan agreement dated October 2, 2013, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for public Health (the "BPH"), the Bond Ordinance duly enacted by the Issuer on September 10, 2013, as supplemented by the Supplemental Resolution duly adopted by the Issuer on September 10, 2013 (collectively, the "Bond Legislation"), and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

I am of the opinion that:

1. The Issuer is duly created and validly existing as a municipal corporation and a political subdivision of the State of West Virginia, and the Mayor, Clerk and members of the Council of the Issuer have been duly, lawfully and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act on behalf of the Issuer in their respective capacities.

2. The Bond Legislation has been duly adopted and enacted by the Issuer and is in full force and effect.
3. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Authority, constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.
4. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any ordinance, order, resolution, agreement or other instrument to which the Issuer is a part or any existing law, regulation, court order or consent decree to which the Issuer is subject.
5. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders and approvals from the Bureau for Public Health and the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges. The time for appeal of such rate ordinance has expired prior to the date hereof without any appeal.
6. To the best of my knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bonds and Bond Legislation, the acquisition and construction of the Project, the operation of the system, or the validity of the bonds, or the collection or pledge of the Gross Revenues therefor.
7. I have ascertained that all successful bidders have provided the drug-free workplace affidavit, submitted their drug-free workplace plan, and the contracts contain language that complies with the Drug-Free Workplace Act, Article 1D, Chapter 21 of the West Virginia code. Prior to construction, I will ascertain that all successfully bidders have made required provisions for all insurance and payment and performance bonds and verify such insurance policies or binders for accuracy. Also prior to construction I will ensure, based on the review of the contracts, that the surety bonds and the policies or other evidence of insurance coverage in connection with the Project (i) are in compliance with the contracts; (ii) are adequate in form, substance and amount to protect the various interests of the Issuer; (iii) have been executed by duly authorized representatives of the proper parties; (iv) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (v) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

Town of Capon Bridge, et al.
Page 3

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

Very Truly Yours,

A handwritten signature in cursive script that reads "Royce B. Saville". The signature is written in black ink and is positioned above the printed name.

Royce B. Saville
Attorney at Law of
Royce B. Saville, PLLC
95 West Main Street
P.O. Box 2000
Romney, West Virginia 26757
Phone – 304-822-3875
Fax – 304-822-7455
WV Bar #3268



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Writer's Contact Information

October 2, 2013

Town of Capon Bridge
Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

Town of Capon Bridge
Capon Bridge, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Bureau for Public Health
Charleston, West Virginia

Ladies and Gentlemen:

We are special PSC counsel to the Town of Capon Bridge, a municipality in Hampshire County, West Virginia (the "Issuer"). As such counsel, we have represented the Issuer before the Public Service Commission of West Virginia in connection with the issuance of the above-referenced Bonds, and the acquisition and construction of the Project. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

We are of the opinion that the Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Recommended Decision entered February 25, 2013, which became Final Order on March 17, 2013, in Case No. 12-1557-W-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. A CPA affidavit dated September 10, 2013 was filed pursuant to such Order. Such Order remains in full force and effect.

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

Very truly yours,

A handwritten signature in blue ink, appearing to read 'StepToe & Johnson PLLC', written over the typed name 'STEP TOE & JOHNSON PLLC'.

124500.00001

ROYCE B. SAVILLE, PLLC

ATTORNEY AT LAW

95 WEST MAIN STREET

P. O. BOX 2000

ROMNEY, WEST VIRGINIA 26757

(304) 822-3875

FAX (304) 822-7455

October 2 2013

West Virginia Bureau for Public Health
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Re: Town of Capon Bridge Final Title Opinion

Dear Ladies & Gentlemen:

I represent the Town of Capon Bridge (the "Town") with regard to a proposed project to construct additions and improvements to its water system, consisting of replacement of approximately 21,000 linear feet of existing water line, which will include upgrading existing 4-inch lines to 6-inch and 8-inch pipe to allow for more reliable distribution and fire protection service, construction of a new 100 GPM booster pump station, which will be equipped with two 25 horsepower multi-stage centrifugal pumps rated at 100 GPM, installation of a new three-unit satellite telemetry system that will control the new booster pump station and monitor water levels in the existing West Tank and East Tank, together with all appurtenant facilities (the "Project"), and provide this final title opinion on behalf of the Town to satisfy the requirements of the West Virginia Bureau for Public Health (the "BPH") with regard to the financing proposed for the Project. Please be advised of the following:

1. I am of the opinion that the Town is a duly created and existing municipality possessed with all the powers and authority granted to municipalities under the laws of the State of West Virginia and has the full power and authority to construct, operate and maintain the Project as approved by the Bureau for Public Health.
2. That the Town has obtained approval for all necessary permits and approvals for the construction of the Project.
3. That I have investigated and ascertained the location of and am familiar with the legal description of the necessary sites, including easements and/or rights of way, required for the Project as set forth in the plans for the Project prepared by Thrasher Engineering, Inc., the consulting engineers for the Project.
4. That I have examined the records on file in the Office of the Clerk of the County Commission of Hampshire County, West Virginia, the county in which the Project is to be located, and, in my opinion, the Town has acquired legal title or such other estate or interest in

the necessary site components for the Project sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the facilities to be constructed, **except and subject to the following:**

The following listed properties or interest in properties, i.e. rights of way, are being acquired by eminent domain and the necessary filings have been made in the Office of the Clerk of the County Commission of Hampshire County West Virginia to permit the Town a right-of-entry for the purpose of construction, operation and maintenance of the subject facilities on the subject properties. The rights of entry were obtained on the 11th day of September 2013. The Town's title thereto is defeasible in the event the Town does not satisfy any resulting judgment and/or award in the proceedings for acquisition of said properties, and my certification is subject to the pending litigation:

List of property owners including name, tax map number, parcel number:

1. Virginia Sirbaugh, Capon District, TM-02-020-073
2. Linda Haines, Bloomery District, TM-01-024-015
3. John Krahulec, Bloomery District, TM-01-025-015 (formerly Gerry Sirbaugh)
4. Micahel Mirefield, Bloomery District, TM-01-25-008 (Trustees Roger and Lynn Powell)

5. That all deeds or other documents which have been acquired to date by the Town have been duly recorded in the aforesaid Clerk's Office in order to protect the legal title to and interest of the Town.

Very Truly Yours,



Royce B. Saville
Attorney at Law of
Royce B. Saville, PLLC
95 West Main Street
P.O. Box 2000
Romney, West Virginia 26757
Phone – 304-822-3875
Fax – 304-822-7455
WV Bar #3268

TOWN OF CAPON BRIDGE

Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. LOAN AGREEMENT
11. INSURANCE
12. VERIFICATION OF SCHEDULE
13. RATES
14. SIGNATURES AND DELIVERY
15. BOND PROCEEDS
16. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
17. PUBLIC SERVICE COMMISSION ORDERS
18. SPECIMEN BOND
19. CONFLICT OF INTEREST
20. GRANT
21. PROCUREMENT OF ENGINEERING SERVICES
22. SAFE DRINKING WATER ACT
23. EXECUTION OF COUNTERPARTS

We, the undersigned MAYOR and CLERK of the Town of Capon Bridge in Hampshire County, West Virginia (the "Issuer"), and the undersigned COUNSEL to the Issuer, hereby certify, on this the 2nd day of October, 2013, in connection with the Issuer's Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program) (the "Series 2013 A Bonds"), and Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program) (the "Series 2013 B Bonds") dated the date hereof (collectively, the "Bonds" or the "Series 2013 Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Ordinance of the Issuer duly enacted September 10, 2013, and the Supplemental Resolution duly adopted September 10, 2013 (collectively, the "Bond Legislation").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Bonds,

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

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

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

There are no Outstanding obligations of the Issuer which will rank on a parity with the Series 2013 A Bonds as to liens, pledge and source of and security for payment.

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

Bond Ordinance

Supplemental Resolution

Loan Agreement for Series 2013 Bonds

Public Service Commission Order

Infrastructure and Jobs Development Council Approval

Charter and Rules of Procedure

Oaths of Office of Officers and Council Members

Water Rate Ordinance

Minutes on Adoption and Enactment of Rate Ordinance

Affidavit of Publication of Rate Ordinance and Notice of Public Hearing

Minutes on Adoption and Enactment of Bond Legislation

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

Bureau of Public Health Permit

Evidence of Insurance

Evidence of The County Commission of Hampshire County grant

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Town of Capon Bridge." The Issuer is a municipal corporation in Hampshire County and is presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its council, consisting of a Mayor and five (5) council members, 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
Stephen Sirbaugh, Mayor	07/01/2011	06/30/2015
Dorinda Strother, Recorder	07/01/2012	06/30/2016
Thomas Hinkle, Council Member	07/01/2012	06/30/2016
Nathan Spencer, Council Member	07/01/2011	06/30/2015
Robert Toothman, Council Member	07/01/2012	06/30/2016
Janet Baker, Council Member	07/01/2011	06/30/2015
Christopher Strother, Council Member	07/01/2011	06/30/2015

The duly appointed and acting Clerk is Penny Feather. The duly appointed Counsel to the Issuer is Royce Saville, Romney, West Virginia and the duly appointed Special PSC Counsel is Steptoe & Johnson PLLC, Charleston, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the System have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which may

have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Bonds.

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

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Workers' Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Bond Legislation. The successful bidders have provided the Drug-Free Workplace Affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code. All insurance for the System required by the Bond Legislation and Loan Agreement is in full force and effect.

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

The Issuer will serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer will not reduce the amount of additional customers served by the project without the prior written approval of the Board of the West Virginia Water Development Authority (the "Authority"). Following completion of the Project the Issuer will certify to the Authority the number of customers added to the System.

11. INSURANCE: The Issuer will maintain or, as appropriate, will require all contractors to maintain workers' compensation, public liability, property damage insurance, standard hazard insurance, builder's risk insurance, flood insurance and business interruption insurance, where applicable, in accordance with the Ordinance and the Loan Agreement. All insurance for the System required by the Ordinance and the Loan Agreement are in full force and effect.

12. VERIFICATION OF SCHEDULE: The final Schedule B attached to the Certificate of Consulting Engineer, accurately represents the estimated Costs of the Project, the sources of funds available to pay the Costs of the Project and the costs of financing of the Bonds.

13. RATES: The Issuer has duly enacted a water rate ordinance on November 13, 2012 setting forth the respective rates and charges for the services of the System. The time for appeal of

such rate ordinance has expired prior to the date hereof without any appeal, and such rate ordinance is currently in effect.

14. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond of each series, dated the date hereof, by his or her manual signature, and the undersigned Clerk did officially cause the official seal of the Issuer to be affixed upon said Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal of the Issuer is also impressed above the signatures appearing on this certificate.

15. BOND PROCEEDS: On the date hereof, the Issuer received \$283,726 from the Authority and the BPH, being a portion of the principal amount of the Series 2013 A Bonds. The balance of the principal amount of the Series 2013 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

On the date hereof, the Issuer received \$-0- from the Authority and the BPH, being a portion of the principal amount of the Series 2013 B Bonds. The balance of the principal amount of the Series 2013 B Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

16. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the *Hampshire Review*, a qualified newspaper published and of general circulation in the Town of Capon Bridge, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Governing Body at the public hearing held at a public meeting of Governing Body on the 10th day of September, 2013, at 7:00 p.m., at the Town Hall in Capon Bridge, West Virginia, and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the Clerk of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

17. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia entered February 25, 2013, which became Final Order on March 17, 2013 in Case No. 12-1557-W-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. A CPA Affidavit dated September 10, 2013 was filed pursuant to such Order. Such Order is in full force and effect.

18. SPECIMEN BONDS: Delivered concurrently herewith are true and accurate specimens of the Series 2013 Bonds.

19. 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, the Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

20. GRANT: The County Commission of Hampshire County grant in the amount of \$100,000 is hereby fully committed.

21. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied in all respects with the requirements of Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended, in the procurement of engineering services to be paid from proceeds of the Bonds.

22. SAFE DRINKING WATER ACT: The Project as described in the Bond Legislation complies with the Safe Drinking Water Act.

23. EXECUTION OF COUNTERPARTS: This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

[Remainder of Page Intentionally Blank]

WITNESS our signatures and the official seal of the TOWN OF CAPON BRIDGE on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

Steve Smith

Mayor

Ronny Lee

Clerk

Stephen & Alan PLLC

Counsel to the Issuer

Special PSC Counsel
(Paragraph 17)

124500.00001

WITNESS our signatures and the official seal of the TOWN OF CAPON BRIDGE on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

Mayor

Clerk

Ryan B. Savill

Counsel to the Issuer

Special PSC Counsel
(Paragraph 17)

TOWN OF CAPON BRIDGE

Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

CERTIFICATE OF ENGINEER

I, Daniel E. Ferrell, Registered Professional Engineer, West Virginia License No. 013462, of The Thrasher group, Inc., Clarksburg, West Virginia, hereby certify this 2nd day of October, 2013 as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements (the "Project") to the existing public waterworks facilities (the "System") of the Town of Capon Bridge (the "Issuer"), to be constructed in Hampshire County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (collectively, the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Ordinance enacted by the Issuer on September 10, 2013, as supplemented by the Supplemental Resolution adopted by the Issuer on September 10, 2013, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health (the "BPH"), dated October 2, 2013 (the "Loan Agreement").

2. The Bonds are being issued (i) to pay a portion of the costs of acquisition and construction of the Project; and (ii) to pay certain costs of issuance and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the BPH and any change orders approved by the Issuer, the BPH and all necessary governmental bodies; (ii) the schematic design for the Project began before July 1, 2012; (iii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 32 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule B attached hereto as Exhibit A and the Issuer's counsel has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (v) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; (vi) the successful bidders received any and all addenda to the original bid documents; (vii) the bid documents relating to the Project reflect the Project as approved by the BPH and the bid forms provided to the bidders contain the critical operational components of the Project; (viii) the successful bids include prices for every item on such bid forms; (ix) the uniform bid procedures were followed; (x) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and the operation of the

System; (xi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the BPH; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve no new customers.

[Remainder of Page Intentionally Blank]

WITNESS my signature and seal on the day and year first written above.

THE THRASHER GROUP, INC.



D E Ferrell
10/2/2012

Daniel E. Ferrell, P.E.
West Virginia License No.013462

SCHEDULE B
Capon Bridge, Town of 2011W-1234

8/17/2013

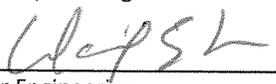
COST OF PROJECT, SOURCES OF FUNDS AND COST OF FINANCING

A. Cost of Project	Total	DWTRF (0%; 1%; 30 yrs)	DWTRF (Debt forgiveness)	County Commission
1. Construction	1,453,880.00	1,003,066.00	450,814.00	0.00
Contingency	145,522.00	145,522.00	0.00	0.00
Change Order 1 - Generator	80,000.00	51,000.00	0.00	29,000.00
Change Order 2 - Radio Read Meters	182,000.00	182,000.00	0.00	0.00
Contingency (Reserves) Note 1	71,412.00	71,412.00	0.00	0.00
2. Technical Services				
a. Planning	30,000.00	30,000.00	0.00	0.00
b. Design	120,000.00	120,000.00	0.00	0.00
c. Bidding and Negotiation	15,000.00	15,000.00	0.00	0.00
d. Inspection	95,000.00	95,000.00	0.00	0.00
e. Engineering During Construction	45,000.00	45,000.00	0.00	0.00
f. Special Services	82,000.00	82,000.00	0.00	0.00
3. Legal				
a. Legal - Project Attorney	12,500.00	12,500.00	0.00	0.00
b. Legal - PSC Attorney	8,500.00	8,500.00	0.00	0.00
4. Accounting	13,000.00	13,000.00	0.00	0.00
5. Administrative	50,000.00	50,000.00	0.00	0.00
6. Miscellaneous				
a. Permits	25,000.00	25,000.00	0.00	0.00
b. Equipment	33,000.00	0.00	0.00	33,000.00
Electical to Tank	15,000.00	15,000.00	0.00	0.00
7. Sites and Other Lands				
a. Appraisals - 4	10,000.00	0.00	0.00	10,000.00
b. Surveys - 4	8,000.00	0.00	0.00	8,000.00
c. Legal - 4 condemnations	10,000.00	0.00	0.00	10,000.00
d. Condemnation -4	10,000.00	0.00	0.00	10,000.00
8. Project Contingency	0.00	0.00	0.00	0.00
9 Total of Lines 1 through 8	2,514,814.00	1,964,000.00	450,814.00	100,000.00
B. Cost of Financing				
10 Reserve	0.00	0.00	0.00	0.00
11 Bond Counsel	24,000.00	24,000.00	0.00	0.00
12 Bank Registrar Fee	1,000.00	1,000.00	0.00	0.00
13 Total Cost of Financing	25,000.00	25,000.00	0.00	0.00
14 Total Project Cost (line 9 plus line 13)	2,539,814.00	1,989,000.00	450,814.00	100,000.00
C. Sources of Funds				
15 Federal Grants	0.00	0.00	0.00	0.00
16 State Grants	0.00	0.00	0.00	0.00
17 Local Funds	100,000.00	0.00	0.00	100,000.00
18 Total Grants	100,000.00	0.00	0.00	100,000.00
19 Size of Bond Issue	2,439,814.00	1,989,000.00	450,814.00	0.00

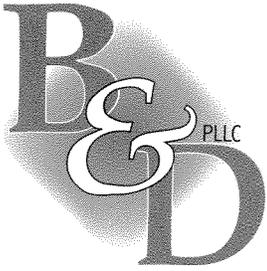
Note 1: Contingency to be used to fund Reserve Account if not needed to complete the Project


Town of Capon Bridge

9-10-13
Date


Thrasher Engineering

9/11/2013
Date



Bennett & Dobbins PLLC

CERTIFIED PUBLIC ACCOUNTANTS

317 Cleveland Avenue
Fairmont, WV 26554-1604
Telephone: (304) 366-4295 Fax: (304) 366-4311

GARY K. BENNETT, MBA-CPA
ZACHARY D. DOBBINS, CPA

October 2, 2013

Town of Capon Bridge
Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

Town of Capon Bridge
Capon Bridge, West Virginia

West Virginia Bureau for Public Health
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the water rate ordinance of the Town of Capon Bridge (the "Issuer"), enacted November 13, 2012, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by The Thrasher Group, Inc., the consulting engineer, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the waterworks system (the "System") of the Issuer, will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Issuer's Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), dated October 2, 2013, issued in the original aggregate principal amount of \$1,989,000 (the "Series 2013 A Bonds"), and all other obligations secured by or payable from the revenues.

Very truly yours,

Bennett & Dobbins PLLC

BENNETT & DOBBINS PLLC

TOWN OF CAPON BRIDGE

Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Mayor of the Town of Capon Bridge in Hampshire County, West Virginia (the "Issuer"), being the official of the Issuer duly charged with the responsibility for the issuance of \$1,989,000 Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program) and \$450,814 Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), of the Issuer, both dated October 2, 2013 (collectively the "Bonds" or the "Series 2013 Bonds") on the 2nd day of October, 2013, hereby certifies as follows:

1. I am the officer of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance duly enacted by the Issuer on September 10, 2013, as supplemented by Supplemental Resolution duly adopted on September 10, 2013 (collectively, the "Bond Ordinance"), authorizing the Bonds.
2. This certificate may be relied upon as the certificate of the Issuer.
3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on October 2, 2013, the date on which the Bonds are being physically delivered in exchange for an initial advance of the principal amount of the Series 2013 Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.
4. In the Bond Ordinance pursuant to which the Bonds are issued, the Issuer has covenanted that it shall not take, or permit or suffer to be taken, any action with respect to Issuer's use of the proceeds of the Bonds which would cause any bonds, the interest, if any, on which is exempt from federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (collectively, the "Code"), issued by the West Virginia Water Development Authority (the "Authority") or the West Virginia Bureau for Public Health (the "BPH"), as the case may be, from which the proceeds of the Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.
5. The Series 2013 A Bonds were sold on October 2, 2013, to the Authority, pursuant to a Loan Agreement dated October 2, 2013, by and between the Issuer and the Authority, on behalf of the BPH, for an aggregate purchase price of \$1,989,000 (100% of par), at which time, the Issuer received \$283,726 from the Authority and the BPH, being the first advance of the principal amount of the Series 2013 A Bonds. No accrued interest has been or will be paid on the Series 2013 A Bonds. The

balance of the principal amount of the Series 2013 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2013 B Bonds were sold on October 2, 2013, to the Authority, pursuant to a Loan Agreement dated October 2, 2013, by and between the Issuer and the Authority, on behalf of the BPH, for an aggregate purchase price of \$450,814 (100% of par), at which time, the Issuer received \$-0- from the Authority and the BPH, being the first advance of the principal amount of the Series 2013 B Bonds. No accrued interest has been or will be paid on the Series 2013 B Bonds. The balance of the principal amount of the Series 2013 B Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

7. The Series 2013 A Bonds and Series 2013 B Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks facilities of the Issuer (the "Project"); and (ii) paying certain costs of issuance of the Bonds and related costs.

8. Within 30 days after the delivery of the Series 2013 Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2013 A Bonds Reserve Account, if any, all of the proceeds from the sale of the Series 2013 Bonds, together with any investment earnings thereon, will be expended for payment of Costs of the Project on or before April 1, 2015. The acquisition and construction of the Project is expected to be completed by October 1, 2014.

9. The total Cost of the Project, a portion of which is financed from the proceeds of the Series 2013 Bonds (including all costs of issuance of the Series 2013 Bonds), is estimated at \$2,539,814. Sources and uses of funds for the Project are as follows:

SOURCES

Proceeds of the Series 2013 A Bonds	\$1,989,000
Proceeds of the Series 2013 B Bonds	\$450,814
The County Commission of Hampshire County grant	<u>\$100,000</u>
Total Sources	<u>\$2,539,814</u>

USES

Costs of Acquisition and Construction of the Project	\$2,515,314
Costs of Issuance	<u>\$24,500</u>
Total Uses	<u>\$2,539,814</u>

10. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created relative to the Series 2013 Bonds:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Series 2013 Bonds Construction Trust Fund;
- (4) Series 2013 A Bonds Sinking Fund; and
- (5) Series 2013 A Bonds Reserve Account.

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

(1) Proceeds of the Series 2013 A Bonds in the amount of \$-0- will be deposited with the Commission in the Series 2013 A Bonds Sinking Fund as capitalized interest.

(2) Series 2013 A Bonds proceeds in the amount of \$-0- will be deposited in the Series 2013 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 2013 A Bonds will be deposited in the Series 2013 Bonds Construction Trust Fund as received from time to time and applied solely to payment of Costs of the Project, including costs of issuance of the Series 2013 A Bonds and related costs.

(4) The balance of the proceeds of the Series 2013 B Bonds will be deposited in the Series 2013 Bonds Construction Trust Fund as received from time to time and applied solely to payment of Costs of the Project, including costs of issuance of the Series 2013 B Bonds and related costs.

12. Monies held in the Series 2013 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2013 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the Series 2013 A Bonds Sinking Fund and Series 2013 A Bonds Reserve Account will be withdrawn therefrom and deposited into the Series 2013 Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

13. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within 12 months of the date hereof.

14. The Issuer will take such steps as requested by the Authority to ensure that the Authority's Bonds meet the requirements of the Code.

15. With the exception of the amount deposited in the Series 2013 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 18 months from the date of issuance thereof.

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

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

18. All property financed with the proceeds of the Bonds will be owned and held by (or on behalf of) a qualified governmental unit.

19. No proceeds of the Bonds will be used, directly or indirectly, in any trade or business carried on by any person who is not a governmental unit.

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

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

22. The Bonds are not federally guaranteed.

23. The Issuer has retained the right to amend the Bond Ordinance authorizing the issuance of the Bonds if such amendment is necessary to assure that the Bonds remain governmental bonds.

24. The Issuer has either (a) funded the Series 2013 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2013 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2013 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year. Monies in the Series 2013 A Bonds Reserve Account and the Series 2013 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to pay Costs of the Project.

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

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

27. The Issuer will comply with instructions as may be provided by the Authority, at any time, regarding use and investment of proceeds of the Bonds, rebates and rebate calculations.

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

[Remainder of Page Intentionally Blank]

WITNESS our signatures on day and year first written above.

TOWN OF CAPON BRIDGE

By: 
Its: Mayor

124500.00001

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I. Brown
 1/22/1987

off

Incorporation
 of

Capom Bridge

[Signature]

[Signature]

Quinn & Booth
 PA 92587

[Signature]

1 Upon the application of J. M. Ward
2 Joseph Oats, B. H. Frye, J. P. Rainsburg &
3 H. M. Smeltz, citizens of the town of
4 Capon Bridge, Hampshire Co., W. Va., for an
6 order directing the Clerk of this Court
6 to issue a certificate incorporating
7 said town in accordance with the
8 ter 47 of the Code of W. Va., a certificate
9 under oath of Wm. J. Oats, Wm. Maury
10 & James Oats having ^{in a former case of this Court} been filed & shown
11 that a majority of all the qualified vo-
12 ters residing in the following boundary, to-
13 beginning at a planted stone on the
14 N. W. side of Bear Garden Ridge near its
15 base in the original line of the old
16 Edwards & Caudin's survey and running
17 N. $21\frac{3}{4}^{\circ}$ E. 106 poles crossing A. S. Pugh's
18 land to a stone in or near the
19 line of A. S. Pugh with Annie E. Ripon
20 land, thence with or near lines of
21 some N. 61° W. 13 poles to their corner
22 with J. S. Frye's land, thence with her
23 lines N. 31° E. $66\frac{1}{100}$ poles to a stone,
24 thence N. $67\frac{1}{2}^{\circ}$ W. 72 poles to a stone
in or near their line near the edge
25 of Capon River, thence ~~to the same~~ same
26 S. 27° W. 17 poles, thence S. 28° W. 16 poles
27 S. 33° W. 14 poles S. $52\frac{1}{2}^{\circ}$ W. 65 poles S. 46°
28 W. 30.4 poles crossing the N. W. line
29 to a stone on the southern boundary
30 thereof, thence N. 68.25° W. crossing
31 Capon to the mouth of Devil Run
32

+ up the same, in all 16 poles
to a stone near the stone wall,
thence crossing the N. W. grade again
N. 52.75° E. 104 poles, thence N. 16 East
51.75° poles to a stone near the
bank of Capon on the lands of
Robert Hook, thence through his
lands N. 71 W. 93 poles to a stone,
thence crossing the lands of the
heirs of John A. Smith, S. 67 W. 124
poles to a stone about 4 poles
W. of Mrs. Seldon's lot, thence S.
28 W through H. D. McRae's lot
30 poles to the N. W. grade, thence
through the lands belonging to the
heirs of John Horn S. 100 W. 106 E.
52 poles to an apple tree on the
top of a hill in Edward Oats' land
thence S. 25 E. 32.4 poles to a
stone in said Oats' land, thence
S. 54 E. 88.8 poles, crossing Dillon's
Run, through L. C. Oats' & H. Mott's
lands to a point in or near the
line between of M. Hook and John Oats
thence through said Oats' land S.
10.5 W. 56 poles to a stone, thence
S. 79 E. 46 poles crossing the County
Road + also the Mill Race to a
stone, thence S. 86 E. 81 poles, cross-
ing Capon, through the lands of
James Landis heirs to a stone in
a field south-west of a dwelling,

1 thence N. 34 E. 54 poles to the be-
2 ginning, containing 629 acres, have
3 been given in due form of law
4 in favor of the incorporation of
5 the town of Capon Bridge in the
6 County of Hampshire, W.Va., ^{bounded} as herein
7 set forth, and is appearing to the
8 satisfaction of the Court that all
9 the provisions of Chapter 47 of the
10 Code of W.Va. have been complied
11 with by the applicants for said
12 incorporation; the said town ~~is~~
13 is duly authorized within the
14 corporate limits aforesaid, to exercise
15 all the corporate powers conferred
16 by the said chapter ~~of the Code of~~
17 to the date of this Vesting of
18 and the Court doth hereby appoint
19 J. P. Rowland, J. M. Small
20 three legal voters residing within the said
21 Territory, Commissioners of election
22 who shall act as such at the first elec-
23 tion to be held in said town as pro-
24 vided by law

RECORD OF THE LAWS, BY-LAWS

AND ORDINANCES

OF THE TOWN OF CAPON BRIDGE

HAMPSHIRE COUNTY

WEST VIRGINIA.

ORDINANCE NO. 1.

Be it ordained by the Council of the Town of Capon Bridge, West Virginia that the following laws, rules and regulations be, and the same are, prescribed for the government of said municipality:

SECTION 1.

That the general laws of the State of West Virginia relating to cities, towns and villages, as contained in Chapter 47 of the Code of West Virginia, as amended and in force at the date hereof, be and the same are hereby adopted as the laws, rules and regulations of the Town of Capon Bridge and said municipality shall be in all respects governed thereby insofar as the same is applicable to said municipality.

SECTION 2.

QUALIFICATION OF VOTERS

All persons who have been bona fide residents of said town for six months next preceding an election therein, and who are qualified voters under the Constitution and laws of this state, and none others, shall be entitled to vote at any election held in said town. But no person shall be deemed a resident of said town by reason of being a student at any school therein, or of being stationed therein for any temporary purpose.

SECTION 3.

REGULAR ELECTION OF OFFICERS.

General election for the election of all officers shall be had on the first Tuesday of January in each year hereafter at such place within the corporate limits as the Council by resolution may designate.

The Council shall before each annual election appoint three voters of said town, to act as Commissioners.

election, not more than two of whom shall belong to the same political party, and said Commissioners shall appoint two clerks, one from each of the two political parties receiving the highest number of votes at the last general election, to assist in holding said election. Any one or more of said commissioners in the absence or refusal of any of the others to act, may appoint some qualified voter of said town to fill the vacancy so caused; and in event none of the commissioners so appointed attend at the place of voting or fail or refuse to perform their duties as commissioners of election, then any three voters of the town may be by the voters then present on the day of election at the polls, elected by said voters to act as such commissioners

The polls shall be opened and kept opened during the hours prescribed by the General Election Laws of the state.

The Commissioners and Clerks of election shall, before entering upon the discharge of their duties, take and subscribe an oath to the following effect:

"I, do solemnly swear that I will support the Constitution of the United States and the Constitution of this State and will faithfully and impartially discharge my duty as (Commissioner or Clerk) of the election about to be held for the Town of Capon Bridge, W. Va. to the best of my skill and judgment. So Help Me God."

and said oaths shall appear properly certified on at least one of the poll books of every election.

The Recorder shall, at the expense of the town, provide and cause to be delivered to the Commissioners of election, at the place of voting, before the opening of said polls, two poll books with the oaths of the Commissioners and Clerks written or printed in form to be filled up, proper ballot boxes, tally sheets and all other things necessary for the holding of said election and making due return thereof.

The Commissioners, or one of them, shall within twenty-four hours after the closing of said polls, deliver the ballots case at said election, under seal, one set of the poll books and one of the certificates showing the result of the election duly signed by the election officers, to the Recorder.

The Council shall, on the following Tuesday after election, meet and canvass the returns of said election and declare the result thereof and shall cause certificates of election to be issued to the persons elected, which certificates shall be signed by the Mayor and Recorder and all that may be done by the Council as a Board of Canvassers of said election shall be recorded in the minutes of their meeting.

7

Any person voted for at such election may appear before the Council then sitting as such Board of Canvassers and demand a recount of the ballots cast at such election and immediately after such recount said ballots shall again be sealed up and delivered into the custody of the Recorder and be kept by him for a period of thirty days, when they shall be destroyed by fire.

Any person desiring to contest said election, shall file notice thereof with the Council when so sitting as a Board of Canvassers and the hearing thereof shall be continued until the same is finally determined by the Council at a meeting to be held not later than one week from the day upon which said notice of said contest is filed.

It shall be the duty of said Council to declare the result of any election immediately after the same is ascertained by said Council and such result shall be made a matter of record in the minutes of the proceedings of said council.

The Commissioners and Clerks of election shall be allowed \$1.50 per day for their services.

SECTION 3.

TOWN OFFICIALS

The municipal authorities of said town shall be a Mayor, Recorder and five Councilmen, who together shall form a common council, all of whom shall be elected for the term of one year. No person shall be qualified to hold the office of Mayor, Recorder or Councilman unless he is a legal voter and was for the preceding year assessed with and paid taxes upon at least fifty dollars worth of property.

SECTION 4.

APPOINTEES OF COUNCIL

There shall be a Town Sergeant, an Assessor and a Superintendent of roads, streets and alleys, appointed by the council to continue in office during its pleasure, and perform the duties respectively as hereinafter prescribed, or as may be required by the council. The Sergeant shall be Ex-Officio Treasurer of said town.

SECTION 5.

QUALIFICATION OF OFFICERS

Every person elected or appointed to office shall within twenty days after his election or appointment and before he shall enter upon the duties of his office, take an

scribe the oath of office prescribed by the laws of this state for district officers; which may be done before any person authorized by law to administer oaths, or before the Mayor or Recorder, which oath, with the certificate of the officer administering the same, shall be filed with the Recorder.

SECTION 6.

TERMS OF OFFICERS AND VACANCIES IN OFFICE

The terms of all officers shall commence on the first day of February in each year and shall be for the term of one year, and until their successors are elected and qualified. When a vacancy shall occur from any cause in the office of Mayor, Recorder or in the Council, the vacancy shall be filled by appointment, until the next succeeding election, by the Council from among the citizens of the town eligible to said office by election.

SECTION 7.

ELIGIBILITY OF OFFICERS

The Mayor, Recorder and Councilmen must be residents of the town and entitled to vote for members of its common council.

SECTION 8.

TIE VOTES.

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

SECTION 9.

PRESIDING OFFICER OF COUNCIL; QUORUM; VOTING

The council shall be presided over at its meetings by the Mayor, or in his absence by the Recorder; or in the absence of both Mayor and Recorder, by one of the Councilmen selected by a majority of the Council present; and a majority of the Council shall be necessary to form a quorum for the transaction of business. But no member of the Council shall vote upon any order, measure, resolution or proposition, in which he may be interested, other than as a citizen of the town.

SECTION 10.

COUNCIL RECORD.

1

The Recorder shall procure well bound books and therein shall keep an accurate record of all the council proceedings, by-laws, acts, orders and resolutions which shall be indexed and open to the inspection of any one who is required to pay taxes to the town.

SECTION 11.

READING OF COUNCIL MINUTES

At every meeting of the council, the proceedings of the last meeting shall be read and corrected, if erroneous and signed by the presiding officer for the time being. Upon the call of any member the yeas and nays on any question shall be taken and recorded in the journal.

SECTION 12.

COUNCIL VOTE; TIE VOTE

The Mayor and Recorder shall have votes as members of the council, and in case of a tie the presiding officer for the time being shall have the casting vote.

SECTION 13.

COUNCIL MEETINGS.

Regular meetings of the council shall be held at the council chamber on the first Monday of each month, beginning at seven o'clock P. M.

The Mayor, or any three members of the council shall have power to call special meetings of the council by giving the other members of the council twenty-four hours notice of the time and place at which such special meeting will be held.

All questions of order of business shall be decided by the Mayor, or other presiding officer, subject to an appeal to the council.

An appeal from the decision of the Mayor or presiding officer upon any question of order shall be put to the council in the following form:

"Shall the decision of the chair be reversed?"

and if a two-third vote of all present be in favor of reversing the Mayor or presiding officer, then the decision shall be in favor of said appeal, and all members of the council present shall vote on such motion.

SECTION 14.

ORDER OF BUSINESS.

1

The usual order of business at the council meetings shall be as follows:

1st. Reading, directing and signing the minutes of previous meetings.

2nd. All unfinished business appearing on the minutes.

3rd. Reports of Committees.

4th. Reports of town officials.

5th. Petitions.

6th. Original propositions from any member.

7th. Such other matters as may come before the council for attention.

All minutes shall be signed by the Mayor or presiding officer and attested by the Recorder.

SECTION 15.

PASSAGE OF ORDINANCES.

No ordinance shall be passed by the council except and unless it be read three several and distinct times and no ordinance shall be read more than once at a single meeting of the council unless by unanimous vote of the council in which event the proposed ordinance may be then read three several times and put upon its passage at the same meeting of the council.

SECTION 16.

RULES OF PROCEDURE.

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

2. A motion to adjourn or lay on the table shall be decided without debate.

3. No member shall leave a meeting of the council without permission from the presiding officer.

SECTION 17.

COMMITTEES.

All committees shall be appointed by the Mayor and with the advice and consent of a majority of the council.

1

There shall be appointed the following standing committees:

Committee on ordinances
Committee on finance
Committee on streets and alleys
Committee on sanitation
Committee on law and order.

and each of said standing committees shall consist of three members of the council.

Reports of committees may be made orally unless some member of the council shall ask for a written report.

SECTION 18.

CHARGES AGAINST OFFICIALS

Charges against any official preferred to the council for consideration shall be in writing verified by affidavits but no action thereon shall be had until the accused has had reasonable notice of the charges so made against him.

SECTION 19

POWERS AND DUTIES OF MAYOR.

The Mayor shall be the chief executive officer of the town and shall take care that the orders, by-laws, ordinances, acts and resolutions of the council thereof, are faithfully executed. He is ex-officio a justice and conservator of the peace within the town, and within the same has, and shall possess and exercise, all powers and perform all duties vested by law in a justice of the peace, except that he shall have no jurisdiction in civil cases of causes of action arising out of the corporate limits of the town. He shall have the same power to issue attachments in civil suits as a justice of the county has, though the cause of action arose out of this town. But in such case he shall have no power to try the same but said attachments shall be returnable and be heard before some justice of Hampshire County. Any warrant or other process issued by him, may be executed at any place within the county. He shall have control of the police of the town, and may appoint special police officers whenever he deems it necessary; and it shall be his duty especially to see that the peace and good order of the town are preserved, and that persons and property therein are protected, and to this end he may cause the arrest and detention of all riotous and disorderly persons in the town before issuing his warrant therefor. He shall have power to issue executions for all fines, penalties and costs imposed by him or he may require the immediate payment thereof, and in default of such payment, or he may commit the party in default to the jail of Hampshire County, or other place of imprisonment in the town, if there be one, until the fine or penalty and costs shall be paid; but the term of imprisonment

17

in such case shall not exceed thirty days, unless otherwise provided by law. He shall, from time to time, recommend to the council such measures as he may deem needful for the welfare of the town. The expense of maintaining any person committed to the jail of the county by him, except it be to answer an indictment, or be under the provisions of Sections 227, and 228 of Chapter 50 of the Code of West Virginia, shall be paid by the town. But such Mayor shall not receive any money belonging to the State, or to individuals, unless he shall give the bond and security required of a justice of the peace by Chapter 50 of the Code of West Virginia; and all the provisions of said chapter relating to moneys received by justices shall apply as to like moneys received by such Mayor.

SECTION 20.

DUTIES OF RECORDER.

It shall be the duty of the Recorder to keep a journal of the proceedings of the council and have charge of and preserve the records of the city, town or village. In the absence from the town or sickness of the Mayor, or during any vacancy in the office of Mayor, he shall perform the duties of the Mayor and be invested with all his power.

SECTION 21.

DUTIES OF ASSESSOR.

It shall be the duty of the Assessor to make an assessment of the property within the town, subject to taxation, substantially in the manner and form in which assessments are made by the assessor of the county, and return the same to the council on or before the first day of May in each year, and for this purpose he shall have all the powers conferred by law on County Assessors. He shall list all male citizens of said town, who are over the age of twenty-one years and subject to capitation tax, and he shall list all the dogs in said town and the names of the persons owning the same, stating which of said dogs are males and which are females, which said list he shall return to the council with his assessments.

SECTION 22.

DUTIES OF SERGEANT; COLLECTION OF TAXES & ASSESSMENTS

It shall be the duty of the Sergeant to collect the town taxes, fines, levies and assessments and in case the same are not paid within one month after they are placed in his hands for collection, he may distrain and sell therefor in like manner as the officer collecting the state taxes may distrain therefor, and he shall have in all other respects the same power to enforce the payment and collection thereof. And the said Sergeant shall have all the powers, rights and privileges within the corporate limits of the town in regard to the arrest of persons, the collection of claims, and the execution

and return of process that can be legally exercised by the constable of a district within the same; and he shall be entitled to the same compensation therefor, and he and his sureties shall be liable to all the fines, penalties and forfeitures that a constable of a district is liable to, for any failure or dereliction in said office, to be recovered in the same manner and in the same courts that the said fine, penalties, and forfeitures are now recovered against such constable. The Sergeant shall, before entering upon the duties of his office, execute a bond, conditioned according to law, with surety satisfactory to the council, payable to the town, in such penalty not less than one thousand dollars, as the council may prescribe.

SECTION 25.

DUTIES OF STANDING COMMITTEES.

COMMITTEE ON ORDINANCES

The committee on ordinances shall have charge of all legal matters, shall draft, examine and recommend ordinances to be submitted for adoption by the council, orders, resolutions and rules and perform such other duties as may be required of them by the council.

COMMITTEE ON FINANCE

The committee on finance shall examine all accounts and attest their correction, report on all bonds of officers, make settlement with the various officers annually, make up the necessary estimates for tax levies and other estimates for undertakings in which the town funds will be expended and make up and report in writing all such settlements, estimates and other matters. And this committee shall perform such other duties as may be required of them by the council.

COMMITTEE ON STREETS & ALLEYS

The committee on streets and alleys shall have charge of the streets, alleys, sidewalks, bridges, culverts, sewers, lights, building regulations and other matters relating to the property in the town. They shall see that the streets, alleys, sidewalks, bridges, culverts, sewers are kept free from obstruction, clean and in good repair. They shall from time to time recommend such improvements as they deem proper to be undertaken by the council, together with the estimated expenses thereof and they shall perform all other duties as the council may require.

COMMITTEE ON SANITATION & HEALTH

The committee on sanitation and health shall within the corporate limits be vested with all the powers and exercise all the duties vested by the general law or the state in municipal health boards and perform all the duties required by the

general law of such board and they are vested with power and authority to perform and do all things within the corporate limits that the county board of health may, under the general law, do within the county and in addition thereto it shall be their duty to have inspected all privies, cess-pools, sewers, ditches, stables, dump heaps, places used for the disposal of trash or unsanitary matter, and all other places whatsoever that may be deleterious to the health of the citizens of said town and they shall make to the council such recommendations in respect to any matter regarding the sanitary condition of the town as they may deem proper.

COMMITTEE ON LAW AND ORDER

The committee on law and order shall be charged with the duty of observing the manner in which the officials discharge their duties in enforcing law and order within the corporate limits of the town. The members of this committee are vested with the authority and power of a policeman of the town and each of them may do all acts in the enforcement of law that can be done lawfully by a regular policeman, properly appointed and qualified and each of said committee is ex-officio a policeman of the town. The said committee shall from time to time report to the council the matters under their care and make such recommendations as they may deem proper..

SECTION 24.

SUPERINTENDENT OF STREETS.

The superintendent of streets, who may be the same person holding the office of sergeant of the town, shall be charged with the general supervision over the streets and sidewalks of the town and shall have all the powers within the corporate limits of the town in regard to the arrest of persons, the collection of fines and the return and execution of process that can legally be exercised By the Sergeant within the corporation or a constable of a district within the same and he shall be entitled to the same compensation therefor and be liable to all the fines, penalties and forfeitures to which a constable of such district for any failure or dereliction of duty.

SECTION 25.

OFFICERS COMPENSATION

The Mayor, Recorder, Sergeant, Superintendent of Streets, Policeman, Councilmen and all other officials shall receive a compensation for services to be fixed by the council at the first regular meeting in December of each year, for the succeeding year, which compensation so fixed by the council at the December meeting for the succeeding year, shall not be increased or diminished during the term for which the official shall be elected or appointed except in case of the

Sergeant and Superintendent of the streets, the compensation of these officers may be fixed or allowed by the council at any regular meeting.

SECTION 26.

CRIMES, OFFENSES, PUNISHMENT.

Animals: It shall be unlawful for any hogs, cattle, horses, sheep, goats or other animals to go at large in the town, and it shall be unlawful for the owners of such animals to permit said animals to go at large and it shall be the duty of the Sergeant to take up into his custody any such animals found going at large in the town and if unclaimed, sell the same as an estray or if said animal be claimed, to make complaint before the Mayor against the owner thereof for the offense of permitting the animals to run at large.

Ill Fame: It shall be unlawful for any person to keep a house of ill fame and any person who shall knowingly lease or let to another, any house or other building for the purpose of being used or kept as a house of ill fame, or if any person knowingly permit any house owned by him, or under his control, to be kept as a house of ill fame, he shall be punished as hereinafter set forth, and every day such house is so used and kept shall constitute a separate offense. If any person live, board or loiter in a house of ill fame, he shall be guilty of an offense and punished as hereinafter set out.

Obscene Literature:

If any person import, print, publish, sell or distribute any book or other thing containing obscene language or any print, picture, figure or description manifestly tending to corrupt the morals of youth or introduce into any family or place of education, or buy or have in his possession, any such thing, for the purpose of sale, exhibition or circulation, or with intent to introduce it into any family or place of education, or to exhibit the same, he shall be guilty of an offense and punished as hereinafter provided.

Cruelty Animals:

It shall be unlawful for any person to cruelly, unnecessarily, or needlessly beat, torture, torment, mutilate, kill or over load, over drive, or wilfully deprive of necessary sustenance, any horse or other domestic animal, whether such horse or other animal be his own or that of another person, or shall impound or confine any such animal in any place and fail to supply the same with a sufficient quantity of good, wholesome food and water, or shall carry in or upon any vehicle or otherwise, any such animal in a cruel or inhuman manner, or knowingly feed a cow on food that produces impure or unwholesome milk, or shall abandon to die any maimed, sick, infirm or diseased animal, or shall be engaged in, or be employed at cock fighting, dog fighting, bear baiting, pitting one animal to

TOWN OF CAPON BRIDGE

RESOLUTION ON OPEN GOVERNMENTAL PROCEEDINGS RULES

Pursuant to Chapter 6, Article 9A, Section 3 of the West Virginia Code, the Council of the Town of Capon Bridge does hereby adopt the following rules to make available, in advance, the date, time, place and agenda of all regularly scheduled meetings of the Council, and the date, time, place and purpose of all special meetings of the Council to the public and news media (except in the case of an emergency requiring immediate action) as follows:

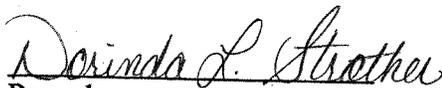
1. Regular Meetings. A notice shall be posted and maintained by the Recorder at the front door or bulletin board of the Town Hall of the date, time and place fixed and entered of record by Council for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same location by the Recorder not less than 3 business days before such regular meeting is to be held. If a particular regularly scheduled meeting is canceled or postponed, a notice of such cancellation or postponement shall be posted at the same location as soon as feasible after such cancellation or postponement has been determined.

2. Special Meetings. A notice shall be posted by the Recorder at the front door or bulletin board of the Town Hall not less than two business days before a specialy scheduled meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. If the special meeting is canceled, a notice of such cancellation shall be posted at the same location as soon as feasible after such cancellation has been determined.

These rules regarding notice of meetings shall replace any and all previous rules heretofore adopted by Council.

Adopted this 14th day of may, 2013.


Mayor


Recorder

Town of Capon Bridge
P. O. Box 183
Capon Bridge, WV 26711

Capon Bridge

Town Council Meeting - Minutes

DATE: May 14, 2013

Council Members – Present:

Mayor Steve Sirbaugh, Janet Baker, Chris Strother, Nathan Spencer, Rob Toothman, Tom Hinkle

Mayor Steve Sirbaugh called the meeting to order at 7:00 p.m. The attendance roll was called. The April minutes were reviewed. Janet Baker moved for approval of the minutes. Nathan Spencer seconded the motion. All approved. Motion carried.

Comments from Guests to Council:

Guests:

Sydney Pierce, writer for the Hampshire Review was present to observe meeting.

David Leask, Commander of the American Legion was present to address the Town of his concerns regarding the Chief of Police. He stated that it is hurting the business at the Legion as many are afraid to come through town in fear of getting a ticket and that he has "No Confidence" in the chief of police. He wanted to know how the Town came about making their decision to hire him. The Mayor explained the process of the hiring and that the Mayor and the Town Council all agreed that he was the best candidate for the job and they do support him. Mr. Leask stated that he would be contacting the Attorney General's Office for an investigation as he believes that he is writing too many tickets. He will also be contacting Triple A to have the Town of Capon Bridge put on their speeding trap list. The Mayor and some Council members spoke up regarding the tickets that have been issued by the Chief of Police and the fact that they are all generally 11 miles or more above the posted speed limit.

Charles Feather was also present at the meeting to voice his concerns regarding the Chief of Police. He stated that he has never heard as much fuss over a police officer as he has regarding this one. He feels that Chuck Reno would have been a better candidate because he just graduated from the WV State Police Academy.

Committee Reports:

Sanitation/Water:

Janet Baker made a motion for Water Improvement Project IJDC Project No.: 2011W-1234; DWTRF Project No.: 11DWTRFB014; Request for construction of bid to begin on or around May 30, 2013. Rob Toothman seconded the motion and all agreed.

Rob Toothman made a motion to purchase the Billing Software from Creative Technologies for the amount of \$3595 which includes the hand held and a wand with an annual fee of \$595. Chris Strother seconded the motion and all agreed.

Rob Toothman also made a motion to purchase the new Desktop Computer: Dell XPS 8500 with monitor for an estimated price of \$1000. Nathan Spencer seconded the motion and all approved.

Janet Baker made a motion to allow Dorinda Strother, Town Recorder to research and purchase a printer that would meet the criteria and the needs for the new billing system. Rob Toothman seconded the motion and all approved.

The Project Bond for construction on the Water Improvement Project IJDC Project No.: 2011W-1234; DWTRF Project No.: 11DWTRFB014 was received for September 2013 through September 2014.

Capon Bridge

Town Council Meeting – Minutes

DATE: May 14, 2013

Nathan Spencer made a motion for adoption of Resolution on Open Governmental Proceedings Rules. Tom Hinkle seconded the motion and all approved as follows:

Pursuant to Chapter 6, Article 9A, Section 3 of the West Virginia Code, the Council of the Town of Capon Bridge does hereby adopt the following rules to make available, in advance, the date, time, place and agenda of all regularly scheduled meetings of the Council, and the date, time, place and purpose of all special meetings of the Council to the public and news media (except in the case of an emergency requiring immediate action) as follows:

1. Regular Meetings. *A notice shall be posted and maintained by the Recorder at the front door or bulletin board of the Town Hall of the date, time and place fixed and entered of record by Council for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same location by the Recorder not less than 3 business days before such regular meeting is to be held. If a particular regularly scheduled meeting is canceled or postponed, a notice of such cancellation or postponement shall be posted at the same location as soon as feasible after such cancellation or postponement has been determined.*
2. Special Meetings. *A notice shall be posted by the Recorder at the front door or bulletin board of the Town Hall not less than two business days before a special meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. If the special meeting is canceled, a notice of such cancellation shall be posted at the same location as soon as feasible after such cancellation has been determined.*

These rules regarding the notice of meetings shall replace any and all previous rules heretofore adopted by Council.

Adopted this 14th day of May, 2013.

Donnie Strickler reported to the Town Council that there was no water loss last month.

Streets/Sidewalks:

The WV DOH has given permission to put a new culvert in near car wash, Whitacre Loop and Cold Stream Road when the water department has ran the new line.

Finances:

April Treasurer's reports were reviewed.

Police:

Charles Reno has graduated from the WV State Police Academy.

Janet Baker made a motion to purchase a new motor for the Explorer up to \$3800. Rob Toothman seconded the motion and all approved.

Old Business:

Speed Limit signs on Cold Stream Rd. still have not been changed. Amos is to contact the DOH again this week.

Capon Bridge

Town Council Meeting – Minutes

DATE: May 14, 2013

Waterview Estates – Homeowners Association President has been notified about materials being deposited into sewer system causing pump failure. Flyers were made by the Town and posted at residences requesting their assistance.

The town will order a new “NO PARKING” sign to replace the one that someone tore down.

New Business:

Rob Toothman made a motion for Proclamation of Dedication for the Capon Bridge Public Library dedicated and named in honor of Susan K. Duff.

The Capon Bridge Public Library is hereby dedicated to and hereby named after Susan K. Duff.

Mrs. Duff was a long time educator and librarian at the Capon Bridge High School. Her dynamic influence upon students continues through many lives today. Upon retirement, her love for books and reading fueled her mission to establish a permanent library in the Town of Capon Bridge.

She was instrumental in teaching volunteers on the proper way to organize and catalog books and also helped develop a library atmosphere in the initial library which began in a small former dental office.

With her timeless support and dedication, grounds were acquired for a new library building and site. Her efforts were instrumental in establishing the new location which fostered her dream and passion of providing access to educational books and materials for future generations.

As a gesture of appreciation for her timeless efforts for the beautiful library situated in the center of our town, we, Mayor and Council for the Town of Capon Bridge, do hereby dedicate and name the library: “The Susan K. Duff Library” as it shall be known forever in her namesake.

This proclamation is dated May 14, 2013.

Invitation from Delegate Ruth Rowan to participate in the naming of the bridge in honor of Rex Sherman during Founders Day Celebration was read and the Mayor encourages all Council members to participate. Executive Session called to discuss personnel issues.

Return from Executive Session Rob Toothman made a motion to approve a raise for Chuck Reno since he has graduated to \$12.50 per hour and benefits to begin on June 1, 2013. Chris Strother seconded the motion and all approved.

Tom Hinkle made the motion to adjourn this meeting. Rob Toothman seconded the motion. All approved. Motion Carried...Meeting adjourned

Respectfully Submitted,



**Dorinda L. Strother,
Town Recorder**

Town of Capon Bridge, Inc.

P.O. Box 183

Capon Bridge, WV 26711

304-856-3625

Police 304-856-2179

July 1, 2011

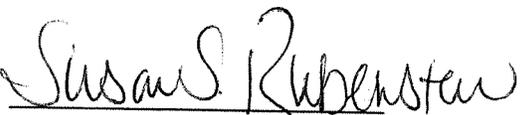
Oaths of Office

I do solemnly swear or affirm that I support the Constitution of the United States and the Constitution of West Virginia, and will faithfully discharge my duties as Mayor to the best of my ability, so help me God.

Beginning term July 1, 2011 ending term is June 30, 2015.

Signed: 

Stephen Sirbaugh,
Mayor

Signed: 

Susan Sirbaugh Rubenstein
Mayor term end June 30, 2011

Oaths of Office

Town of Capon Bridge Capon Bridge, West Virginia

I do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of West Virginia, and will faithfully discharge my duties as Recorder to the best of my ability, so help me God.

Four (4) year term to commence July 1, 2012 and end with fiscal year June 30, 2016.

Signed: Dorinda P. Strother

Dorinda Strother,
Recorder

Signed: Stephen R. Sirbaugh
Mayor Stephen Sirbaugh

July 1, 2012

Oaths of Office
Town of Capon Bridge
Capon Bridge, West Virginia

I do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of West Virginia, and will faithfully discharge my duties as ~~Recorder~~ to the best of my ability, so help me God.

Councilman

Four (4) year term to commence July 1, 2012 and end with fiscal year June 30, 2016.

Signed: *Thomas P. Hinkle*

Thomas Hinkle,
Councilman

Signed: *Steve S*
Mayor Stephen Sirbaugh

July 1, 2012

Town of Capon Bridge, Inc.

P.O. Box 183

Capon Bridge, WV 26711

304-856-3625

Police 304-856-2179

July 1, 2011

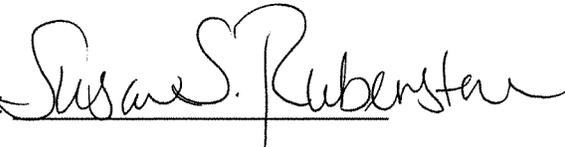
Oaths of Office

I do solemnly swear or affirm that I support the Constitution of the United States and the Constitution of West Virginia, and will faithfully discharge my duties as Councilman to the best of my ability, so help me God.

Beginning term July 1, 2011 ending term is June 30, 2015.

Signed: 

Nathan Spencer,
Councilman

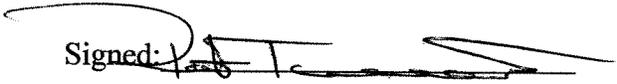
Signed: 

Susan Sirbaugh Rubenstein
Mayor term end June 30, 2011

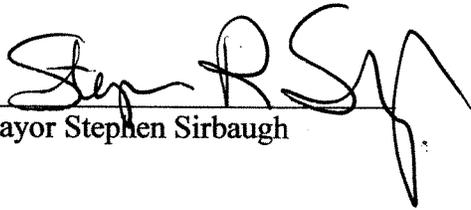
Oaths of Office
Town of Capon Bridge
Capon Bridge, West Virginia

I do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of West Virginia, and will faithfully discharge my duties as ~~Recorder~~ *Councilman* to the best of my ability, so help me God.

Four (4) year term to commence July 1, 2012 and end with fiscal year June 30, 2016.

Signed: 

Robert Toothman,
Councilman

Signed: 

Mayor Stephen Sirbaugh

July 1, 2012

Town of Capon Bridge, Inc.

P.O. Box 183

Capon Bridge, WV 26711

304-856-3625

Police 304-856-2179

July 1, 2011

Oaths of Office

I do solemnly swear or affirm that I support the Constitution of the United States and the Constitution of West Virginia, and will faithfully discharge my duties as Councilman to the best of my ability, so help me God.

Beginning term July 1, 2011 ending term is June 30, 2015.

Signed: Janet L. Baker

Janet Baker,
Councilwoman

Signed: Susan Sirbaugh Rubenstein

Susan Sirbaugh Rubenstein
Mayor term end June 30, 2011

Town of Capon Bridge, Inc.

P.O. Box 183

Capon Bridge, WV 26711

304-856-3625

Police 304-856-2179

July 1, 2011

Oaths of Office

I do solemnly swear or affirm that I support the Constitution of the United States and the Constitution of West Virginia, and will faithfully discharge my duties as Councilman to the best of my ability, so help me God.

Beginning term July 1, 2011 ending term is June 30, 2015.

Signed:



Christopher Strother,
Councilman

Signed:



Susan Sirbaugh Rubenstein
Mayor term end June 30, 2011

TOWN OF CAPON BRIDGE

AN ORDINANCE SETTING FORTH THE RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE WATER SYSTEM OF THE TOWN OF CAPON BRIDGE.

THE COUNCIL OF THE TOWN OF CAPON BRIDGE HEREBY ORDAINS: The following rules, rates and charges are hereby fixed, determined and established for municipal water service provided to all general domestic, commercial, and industrial users of the Town of Capon Bridge's Municipal Waterworks System, commencing upon the effective date as hereinafter provided, and in accordance with the following Rates and Schedules:

RULES AND REGULATIONS

- I. *Rules and Regulations for the Government of Water Utilities*, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.

SECTION 1 – TARIFF

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY OF SERVICE

Available for general domestic, commercial, and industrial.

RATES

First	2,000	gallons used per month	\$12.17	per 1,000 gallons
Next	18,000	gallons used per month	\$10.01	per 1,000 gallons
All Over	20,000	gallons used per month	\$9.78	per 1,000 gallons

MINIMUM CHARGE

5/8	inch meter	\$24.34	per month
3/4	inch meter	\$36.51	per month
1	inch meter	\$60.85	per month
1 1/2	inch meter	\$121.70	per month
2	inch meter	\$194.72	per month
3	inch meter	\$389.44	per month

DELAYED PAYMENT PENALTY

The above tariff is net. On all accounts not paid in full within twenty (20) days of date of bill, ten percent (10%) will be added to the net amount shown. This delayed payment penalty is not interest and is only to be collected once for each bill where it is appropriate.

CONNECTION CHARGE

\$1,000.00

RECONNECTION FEE
\$25.00

SECURITY DEPOSIT
\$50.00

SECTION 2 – EFFECTIVE DATE

The rates, charges and penalties provided herein shall become effective forty-five (45) days after enactment, or as soon thereafter as the same may be approved by the Public Service Commission of West Virginia.

SECTION 3 – SEVERABILITY; REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are severable, and if any clause, provision or section hereof shall be held void or unenforceable by the Public Service Commission of West Virginia or any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. Upon the effective date hereof, all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflicts, hereby repealed, and to the extent that the provisions of this Ordinance do not touch upon the provisions of prior ordinances, resolutions, orders or parts thereof, the same shall remain in full force and effect.

SECTION 4 – STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the Town Clerk shall cause to be published notice of this Ordinance in the *Hampshire Review*, a qualified newspaper of general circulation in the Town of Capon Bridge, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before the Town Council on Tuesday, November 13, 2012, at 7:00 p.m., which date is not less than five (5) days after the date of the publication of the Ordinance and notice, and present any comment or protest thereto, following which hearing, Council shall take such action as it shall deem proper. Copies of this Ordinance shall be available to the public for inspection at the office of the Town Clerk, Town of Capon Bridge, Capon Bridge, West Virginia.

First Reading: October 9, 2012

Second Reading
and Public Hearing: November 13, 2012

TOWN OF CAPON BRIDGE, a municipal corporation

Mayor: Steph R. Smith

Clerk: Leah J. Tolson

124500.00002

CH6107240.1

STATE OF WEST VIRGINIA
COUNTY OF HAMPSHIRE,
TO WIT:

The Undersigned hereby certifies that the
Annexed notice was duly published in the
HAMPSHIRE REVIEW, a weekly
Newspaper published in said county, for
1 consecutive weeks, commencing
On the 17th day of October
20 12

CORNWELL & AILES, INC.
PUBLISHERS

BY: Jennifer L See

WORDS 299 COST \$ 43.38

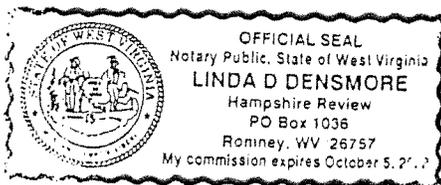
STATE OF WEST VIRGINIA
County of Hampshire, to wit:

I hereby certify that the said
Jennifer L See

did prepare and sign in my presence this
Certificate of Publication on this the
17th day of October 20 12.

My commission expires October 5, 2022

Linda D. Densmore
Linda D Densmore



See

**NOTICE OF PUBLIC HEARING ON
TOWN OF CAPON BRIDGE WATER
RATE ORDINANCE**

Notice is hereby given that on Tues-
day, October 9, 2012, the Town of
Capon Bridge caused to be read before
the Town Council an ordinance propos-
ing increased water rates and charges
in lieu of those rates and charges con-
tained in the Town's existing water tariff
currently on file at the Public Service
Commission of West Virginia for fur-
nishing water service to customers in
Hampshire County, West Virginia and is
proposing adoption of the same. The
proposed ordinance is titled:

**AN ORDINANCE SETTING FORTH
THE RATES, FEES AND CHARGES
FOR SERVICE TO CUSTOMERS OF
THE WATER SYSTEM OF THE TOWN
OF CAPON BRIDGE.**

The Town Council of the Town of
Capon Bridge will have its final reading
and vote on the ordinance on Tuesday,
November 13, 2012 at 7:00 p.m. in the
Town of Capon Bridge, Town Hall,
Capon Bridge, West Virginia. Said
meeting is open to the public and all
interested parties may appear at the
meeting and present protests, if any,
with respect to the proposed ordinance.
A copy of the proposed ordinance is
available for inspection at the office of
the Town Clerk of the Town of Capon
Bridge, Town Hall, Capon Bridge, West
Virginia.

/s/Penelope Feather
Clerk
10-17-12

STATE OF WEST VIRGINIA
COUNTY OF HAMPSHIRE,
TO WIT:

The Undersigned hereby certifies that the
Annexed notice was duly published in the
HAMPSHIRE REVIEW, a weekly
Newspaper published in said county, for
2 consecutive weeks, commencing
On the 21st day of November
2012.

CORNWELL & AILES, INC.
PUBLISHERS

BY: Jennifer L. See

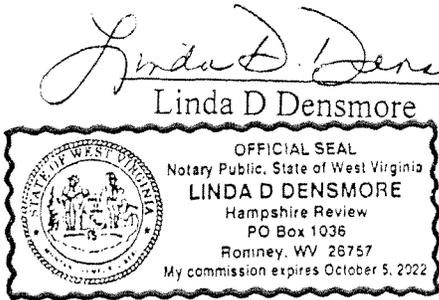
WORDS 884 COST \$ 193.14

STATE OF WEST VIRGINIA
County of Hampshire, to wit:

I hereby certify that the said
Jennifer L. See

did prepare and sign in my presence this
Certificate of Publication on this the
21st day of November 2012.

My commission expires October 5, 2022



POST

PUBLIC NOTICE OF WATER RATES OF
THE TOWN OF CAPON BRIDGE

NOTICE is hereby given that the TOWN OF CAPON BRIDGE (the "Town") enacted an ordinance on November 13, 2012 containing increased rates and charges for furnishing water service to 300 customers at Capon Bridge and vicinity, in Hampshire County, West Virginia.

The proposed increased rates and charges will become effective 45 days from the effective date of the ordinance, unless otherwise ordered by the Public Service Commission, and will produce approximately \$81,576 annually in additional revenue, an increase of 70%. The average monthly bill for the various classes of customers will be changed as follows:

TYPE OF CUSTOMER	(\$) INCREASE	INCREASE (%)
Domestic (3,410 gallons)	\$15.83	70%
Commercial (4,425 gallons)	\$20.01	70%
Industrial (23,702 gallons)	\$99.10	70%

The Town has no resale customers

The increases shown are based on averages of all customers in the indicated class. Individual customers may receive increases that are greater or less than average. Furthermore, the requested rates and charges are only a proposal and are subject to change (increases or decreases) by the Public Service Commission in its review of this filing. The Public Service Commission shall review and approve or modify the increased rates only upon the filing of a petition within thirty (30) days of the adoption of the ordinance changing said rates and charges by:

(1) Any customer aggrieved by the changed rates or charges who presents to the Public Service Commission a petition signed by not less than twenty-five percent (25%) of the customers served by the Town's waterworks system; or

(2) Any customer who is served by the Town's waterworks system and who resides outside the corporate limits and who is affected by the change in said rates or charges and who presents to the Public Service Commission a petition alleging discrimination between customers within and without the Town's boundaries. Said petition shall be accompanied by evidence of discrimination; or

(3) Any customer or group of customers who are affected by said change in rates who reside within the Town's boundaries and who present a petition to the Public Service Commission alleging discrimination between said customer or group

of customers and other customers of the Town's waterworks system. Said petition shall be accompanied by evidence of discrimination.

All petitions should be addressed to the Executive Secretary, Public Service Commission of West Virginia, 201 Brooks Street, Post Office Box 812, Charleston, West Virginia 25323.

A complete copy of the proposed rates, as well as a representative of the utility to provide any information requested concerning it, is available to all customers, prospective customers, or their agents at the Clerk's Office at the Town Hall, Capon Bridge, West Virginia.

A copy of the proposed rates is available for public inspection at the Office of the Executive Secretary of the Public Service Commission at 201 Brooks Street, Post Office Box 812, Charleston, West Virginia 25323.

/s/ Penelope Feather
Town Clerk

Capon Bridge

Town Council Meeting – Minutes

DATE: October 9, 2012

Council Members – Present:

Mayor Steve Sirbaugh, Janet Baker, Chris Strother, Nathan Spencer, Rob Toothman, and Tom Hinkle

Mayor Steve Sirbaugh called the meeting to order at 7:00 p.m. The attendance roll was called by Dorinda Strother, Town Recorder. The September minutes were reviewed. Nathan Spencer moved for approval of the minutes. Rob Toothman seconded the motion. All approved. Motion carried.

Comments from Guests to Council:

Guests:

No special guest present. However, Peggy McMaster wishes to notify Mayor and Council that the Founder's Day went great! The Business License generated revenue of \$440, up from last year. Mrs. McMaster will give a full report at a later date and thanks the Mayor and Council for their continued support.

Committee Reports:

Sanitation/Water:

Donnie Strickler reported there was no water loss this month.

Thrasher Engineering, Inc. was unable to attend the meeting but wanted to provide the Council with an update on the project status which they submitted in writing. Below are the bullet points of the letter:

- The Categorical Exclusion (CE) report was revised per Health Department comments and resubmitted following the conference call on September 26, 2012. The main concern with the CE is the property for the booster station property which is located in the Edward's Run Wildlife Management Area. Construction of a new booster station will require excavation in areas not known to be previously disturbed. The Health Department is using the report submitted to determine the environmental impacts.
- Plans and Specifications were submitted to the Health Department for review. Bill Herold with the Health Department has already replied with comments which Thrasher is working to address. Additional valves will be shown in the plans for all stream crossings and the booster station will be shown above ground as requested by Mr. Herold. Thrasher Engineering is preparing the drawings and will resubmit the information.
- Plans and permit applications have been submitted to the WV Division of Highways for review. Thrasher will schedule a meeting in the next two weeks to review the design with the WVDOH.
- Once the revisions are made for the Health Department, Thrasher will forward a set of plans and specifications to the Town for review.
- The information for the required rights-of-way and easements has been forwarded to Royce Saville. He has received a copy of the plans. There are 30 easements required at this time. Additionally, the Town will need to work with the DNR regarding the property for the booster station. Thrasher will work with Mr. Saville to locate the current recorded description.

Streets/Sidewalks:

Paving has been completed by DOH. Nothing further to discuss at this time.

Finances:

Treasurer's Reports were reviewed.

Police:

Reviewed Chief of Police report for September. Mayor and Council appreciate the thorough report and the work that Chief Amos Damron has been doing.

Old Business:

Attorney, Royce Saville is reviewing the contract and will be handling all communications regarding the contract with the former Chief of Police. The Town will have no further comment on this matter.

New Business:

Janet Baker made a motion to approve the Building application for Gwinn McBride – Lot #19 for a 16X16 shed. Chris Strother seconded the motion. All were in favor.

Capon Bridge

Town Council Meeting - Minutes

DATE: October 9, 2012

- ✓ The first reading on the Town of Capon Bridge ordinance setting forth the rates, fees and charges for service to customers of the Water System was as follows:

THE COUNCIL OF THE TOWN OF CAPON BRIDGE HEREBY ORDAINS: The following rules, rates and charges are hereby fixed, determined and established for municipal water service provided to all general domestic, commercial, and industrial users of the Town of Capon Bridge's Municipal Waterworks System, commencing upon the effective date as hereinafter provided, and in accordance with the following Rates and Schedules:

RULES AND REGULATIONS

- I. *Rules and Regulations for the Government of Water Utilities*, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.

SECTION 1-TARIFF

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY OF SERVICE

Available for general domestic, commercial, and industrial.

RATES

First	2,000 gallons used per month	\$12.17 per 1,000 gallons
Next	18,000 gallons used per month	\$10.01 per 1,000 gallons
All over	20,000 gallons used per month	\$ 9.78 per 1,000 gallons

MINIMUM CHARGE

5/8	inch meter	\$24.34	per month
3/4	inch meter	\$36.51	per month
1	inch meter	\$60.85	per month
1 1/2	inch meter	\$121.70	per month
2	inch meter	\$194.72	per month
3	inch meter	\$389.44	per month

DELAYED PAYMENT PENALTY

The above tariff is net. On all accounts not paid in full within twenty (20) days of date of bill, ten percent (10%) will be added to the net amount shown. This delayed payment penalty is not interest and is only to be collected once for each bill where it is appropriate.

CONNECTION CHARGE

\$1,000.00

RECONNECTION FEE

\$25.00

SECURITY DEPOSIT

\$50.00

SECTION 2- EFFECTIVE DATE

The rates, charges and penalties provided herein shall become effective forty-five (45) days after enactment, or as soon thereafter as the same may be approved by the Public Service Commission of West Virginia.

SECTION 3- SEVARABILITY; REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are severable, and if any clause, provision or section hereof shall be held void or unenforceable by the Public Service Commission of West Virginia or any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. Upon the effective date hereof, all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflicts, hereby repealed, and to the extent that the provisions of this Ordinance do not

Capon Bridge

Town Council Meeting - Minutes

DATE: October 9, 2012

touch upon the provisions of prior ordinances, resolutions, orders or parts thereof, the same shall remain in full force and effect.

SECTION 4- STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the Town Clerk shall cause to be published notice of this Ordinance in the Hampshire Review, a qualified newspaper of general circulation in the Town of Capon Bridge, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before the Town Council on Tuesday, November 13, 2012, at 7:00 p.m., which date is not less than five (5) days after the date of the publication of the Ordinance and notice, and present any comment or protest thereto, following which hearing, Council shall take such action as it shall deem proper. Copies of this Ordinance shall be available to the public for inspection at the office of the Town Clerk, Town of Capon Bridge, Capon Bridge, West Virginia.

First Reading: October 9, 2012
Second Reading
and Public Reading: November 13, 2012

There were no objections to the first reading of the ordinance.

Tom Hinkle made a motion to adjourn the meeting at 8:00 p.m. Nathan Spencer seconded the motion. All approved..... Meeting Adjourned.

Respectfully Submitted,



Dorinda L. Strother,
Town Recorder

Capon Bridge

Town Council Meeting – Minutes

DATE: November 13, 2012

Council Members – Present:

Mayor Steve Sirbaugh, Janet Baker, Chris Strother, Nathan Spencer, Rob Toothman

Absent: Tom Hinkle, Dorinda Strother,

Mayor Steve Sirbaugh called the meeting to order at 7:00p.m. The attendance roll was called. The October minutes were reviewed. Rob Toothman moved for approval of the minutes. Nathan Spencer seconded the motion. All approved. Motion carried.

Comments from Guests to Council:

Guests:

D.J. Davis, Owner of Full Throttle wants to continue to allow their customers to park on Tannery Row. Parking has been allowed in the past for up to 7 – 10 cars. Tannery Row is owned by the State of WV but the sign would need to be removed in order to allow that to occur. Discussion was tabled – Chief will contact the State regarding the sign.

Dale Bryson was present representing the Little League regarding the baseball field installation of lights. Fire Department stated it was “OK” to install but Town will need a letter from fire dept. stating their agreement. Town of Capon Bridge Council wants lights to be used for Little League purposes only and does not want anyone using them late at night. They are for Fridays and Saturdays only - Four poles to be installed at 10 ft. deep 30”round 60’ out of the ground with a total of six lights shining down on the field. Lights are to be locked. Nathan Spencer stated curfew of 10 p.m. needed to be considered.

Tammy Wolford, Capon Bridge Rescue Squad Assistant Chief would like the Town to consider giving the Rescue Squad free water/sewer service. Source of Rescue Squad income strictly funded from Insurance companies. She stated that three EMTs have ran over 400 calls in 2010. The average bill at the Rescue Squad is \$60.78 which is billed at commercial rate. The Town Council tabled the request – will make a decision at later date and get back with the Capon Bridge Rescue Squad.

Committee Reports:

Sanitation/Water:

Capon Bridge Volunteer Fire Department would like a leak adjustment on the September 2012 bill. Robert Toothman made a motion to adjust 75 cents on water and 75 cents for sewer per one thousand gallons. Janet Baker seconded the motion – All approved.

Virginia Lovett is requesting a leak adjustment less sewer. Rob Toothman made the motion to grant the adjustment. Chris Strother seconded the motion and all approved.

Alan Spaid is requesting to have Alternate Mainline Extension agreement, located along Rt 50 and Whitacre Loop and have all taps fees be waived and turned over the water and sewer lines after a year. Meadow Lark will not require a Civil Engineer on this project. Janet Baker made the motion to waive the fee and civil engineer for 2 sewer taps and 3 water taps. Rob Toothman seconded the motion. Motion Carried.

Eric Sherrard of Thrasher Engineering gave the following updates:

- Chad Hicks project submitted to PSC.
- Annual Report
- Meet with Attorney, Royce Saville - halfway through the easement verification 32 more easements required. Will need to record easements.
- Cannot put in low water Bridge to access the spring. Another option is to purchase a utility vehicle (side by side)
- Need final order in Merrified/Town of Capon Bridge
- Easement for Spring through the DNR is taken care of.

Capon Bridge

Town Council Meeting – Minutes

DATE: November 13, 2012

- DHHR may use money to purchase mule – ATV with cab. Also use elsewhere in Town for snowplowing, meter reading, etc. May be project money left over.
- Main focus will be on acquiring all necessary easements (right-away agents/public meetings/ 80% of easements by March 2013 – Identify which easements needed and send letter to specific customers. – Permit plans/DOH Revision/Most current specs – School Street, left side add valves/Fire Hydrant air release valves.

Streets/Sidewalks:

Nothing further to discuss at this time.

Finances:

Treasurer's Reports were reviewed.

Police:

Chief of Police present monthly report to council – October was good. Chief made recommendation to Town Council regarding Charles Town Police Department 2004 Ford Explorer for \$3500 (includes all equipment/no radio/new Jasper engine) - \$2000 crown vic. Includes equipment/no radio. Janet Baker made motion to make a deal on explorer. Robert Toothman seconded. Mayor will finalize.

Old Business:

Second reading/Public Hearing on water rate increase. No objections. Janet Baker made the motion to approve. Rob Toothman seconded the motion.

New Business:

Rob Toothman made a motion to have Nancy work on Monday – Wednesday, 11/19/12 – 11/21/12 from 9 a.m. until 1 p.m. to cover office (Penny is scheduled to be on vacation those dates). Nathan Spencer seconded the motion. All approved.

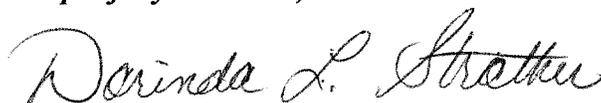
Introduced Chuck Reno – New Police officer

WaterView Estates to use Town Hall – Janet Baker made the motioned. Robert Toothman seconded

Executive Session was called

Janet Baker made the motion to adjourn this meeting. Rob Toothman seconded the motion. All approved. Motion Carried...Meeting adjourned at 9:25 p.m.

Respectfully Submitted,



**Dorinda L. Strother,
Town Recorder**

STATE OF WEST VIRGINIA
COUNTY OF HAMPSHIRE,
TO WIT:

The Undersigned hereby certifies that the
Annexed notice was duly published in the
HAMPSHIRE REVIEW, a weekly
Newspaper published in said county, for
2 consecutive weeks, commencing
On the 28th day of August
2013.

CORNWELL & AILES, INC.
PUBLISHERS

BY: Jennifer See

WORDS 728 COST \$160.38

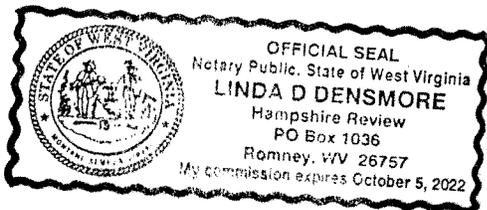
STATE OF WEST VIRGINIA
County of Hampshire, to wit:

I hereby certify that the said
Jennifer See

did prepare and sign in my presence this
Certificate of Publication on this the
28th day of August 2013.

My commission expires October 5, 2022

Linda D. Densmore
Linda D Densmore



Notice of Public Hearing on the
Town of Capon Bridge Bond Ordinance

A public hearing will be held on the following-entitled Ordinance at a regular meeting of the Council of the Town of Capon Bridge (the "Town") to be held on Tuesday, September 10, 2013, at 7:00 p.m. at the Town Hall, Capon Bridge, West Virginia, and at such hearing any person interested may appear before the Town and present protests, and all protests and suggestions shall be heard by the Town and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

TOWN OF CAPON BRIDGE

ORDINANCE AUTHORIZING ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE TOWN OF CAPON BRIDGE AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF CAPON BRIDGE OF NOT MORE THAN \$2,200,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA DWTRF PROGRAM); AND NOT MORE THAN \$750,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The Town contemplates the issuance of the Bonds described in the Ordinance. The proceeds of the Bonds will be used (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are payable solely from the Gross Revenues of the system of the Town. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

The above-entitled Ordinance was adopted by the Council of the Town of Capon Bridge on August 13, 2013. A certified copy of the above entitled Ordinance is on file with the Town for review by interested parties during regular office hours.

Following the public hearing, the Town intends to enact the Ordinance upon final reading.

/s/ Penny Feather
Clerk

Capon Bridge

Town Council Meeting - Minutes

DATE: July 9, 2013

Council Members - Present:

Mayor Steve Sirbaugh, Janet Baker, Nathan Spencer, Robert Toothman, Chris Strother
Thomas Hinkle - absent

Mayor Steve Sirbaugh called the meeting to order at 7:01 p.m. The attendance roll was called. The June minutes were reviewed. Nathan Spencer moved for approval of the minutes. Janet Baker seconded the motion. All approved. Motion carried.

Comments from Guests to Council:

Guests:

Todd Swanson was present to discuss the Bond Ordinance and answer any questions that the Town Council may have. First payment will be due one year after closing.

The Mayor and Town Council had the First Reading of the Ordinance authorizing acquisition and construction of additions, betterments and improvements to the existing public waterworks system of the Town of Capon Bridge and the financing of the cost, not otherwise provided, thereof through the issuance by the Town of Capon Bridge of not more than \$2,200,000 in aggregate principle amount of water revenue bonds, Series 2013 A (West Virginia DWTRF program); and not more than \$750,000 in original aggregated principal amount of Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program); providing for the rights and remedies of and security for the registered owners of such bonds; authorizing execution and delivery of all documents relating to the issuance of such bonds; approving, ratifying and confirming loan agreement relating to such bonds; authorizing the sale and providing for the terms and provision of such bonds and adopting other provisions relating thereto. Janet Baker made a motion to accept the first reading as presented. Rob Toothman seconded the motion. All were in favor and the motion carried. A second reading will be held at the next meeting on August 13th.

Committee Reports:

Sanitation/Water: Donnie Strickler stated repairs had been made to the water leak at Walts (old flying pig). Rob Toothman made a motion to adjust the water bill to average usage for David Miller. Nathan Spencer seconded the motion and all approved.

Bids for the Water Improvement Project will be held Thursday, July 11th at the Town Office.

Streets/Sidewalks: Parking signs for Tannery Row have been installed.

Police: Chief Arnos Damron presented his proposal on the General Orders for the police dept. ie: Use of Force; Employee Discipline; Taser; Operation of Police Vehicles to the Mayor and Council. Rob Toothman made a motion to accept the General Orders as presented. Chris Strother seconded the motion and all approved.

Chief Damron made the recommendation to trade their gun revolvers for automatic weapons. Janet Baker made the motion to accept the recommendation. Christ Strother seconded the motion and all approved.

Janet Baker made a motion to advertise for bids of purchase for the Chevy Impala. Nathan Spencer seconded the motion and all were in favor.

Janet Baker made a motion to purchase a backup police cruiser for \$500. Chris Strother seconded the motion and all were in favor.

Old Business: Discussions continue to revise ordinance on animals in the Town. No decisions made yet.

Janet Baker made a motion to accept the Request for Revision to Approved Budget for Revenues from the previously approved amount of \$25,526 to the revised amount of \$43,107 to 299 Unassigned Fund Balance; Expenditures as follows: previously approved amount of \$1,700 to revised amount of \$6,700 to 416 Police Judge's Office; previously approved amount of \$3,600 to revised amount of \$13,600 to 418 City Auditor; and previously

Capon Bridge

Town Council Meeting - Minutes

DATE: August 13, 2013

Council Members - Present:

Mayor Steve Sirbaugh, Janet Baker, Nathan Spencer, Robert Toothman, Chris Strother, and Thomas Hinkle.
Mayor Steve Sirbaugh called the meeting to order at 7:00 p.m. The attendance roll was called. The July minutes were reviewed. Rob Toothman moved for approval of the minutes. Chris Strother seconded the motion. All approved. Motion carried.

Comments from Guests to Council:

Guests:

Denny Davis was present to address the Mayor and Council on obtaining the requirements for starting a Laundromat business. He was unable to obtain the specs for the 500 gallon grease trap system that he will need to install. Nathan Spencer made a motion for Donnie Strickler, certified water and sewer operator to contact Jolin Concrete and take pictures of the 500 gallon grease trap system after installation and create the specs to make sure that it meets the requirements. Mr. Davis will also be required to install a Back Flow Preventer on the water supply, as well. Thomas Hinkle seconded the motion and all approved.

Committee Reports:

Sanitation/Water:

The second reading was held on the proposed Bond Ordinance authorizing acquisition and construction of additions, betterments and improvements to the existing public waterworks system of the Town of Capon Bridge and the financing of the cost, not otherwise provided, thereof through the issuance by the Town of Capon Bridge of not more than \$2,200,000 in aggregate principal amount of water revenue bonds, Series 2013 A (West Virginia DWTRF program); and not more than \$750,000 in original aggregate principal amount of Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program); providing for the rights and remedies of and security for the registered owners of such bonds; authorizing execution and delivery of all documents relating to the issuance of such bonds; approving, ratifying and confirming loan agreement relating to such bonds; authorizing the sale and providing for the terms and provisions of such bonds and adopting other provisions relating thereto. Rob Toothman made a motion to approve the 2nd reading. Chris Strother seconded the motion and all approved.

Mayor reviewed the last conference call update and 5 more easements/rights-of-ways need to be completed. They should all be completed prior to the estimated loan closing date of September 30th.

Special Meeting to be held on September 17th at 7:00 p.m. to adopt the amendment.

Streets/Sidewalks:

No Parking signs have been installed on Tannery Row. DOH has corrected the Speed Limit signs on Cold Stream Rd.

Police:

Chief Damron updated the mayor and council on the police activity that occurred during last month and reviewed the reports.

No Sealed Bids were received on the Chevy Impala.

Chief Damron presented the Mayor and Council with the General Orders for Disposal of Lost, Found, or Unclaimed property and Property/Evidence Control. Janet Baker made a motion to accept the General Orders and Thomas Hinkle seconded the motion. All were in favor and approved.

Old Business:

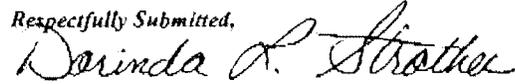
Mayor asked for Volunteers to assist with the set up for ceremonies on September 28th for the naming of the bridge in honor of Rex Sherman during Founders Day Celebration.

New Business:

Janet Baker made a motion to accept the Resolution of Acceptance to act as administrator for the Capon Bridge Volunteer Fire Department for LEDA Grant project number 13LEDA0387 in the amount of \$1,000 to purchase equipment and for the Capon Bridge Rescue Squad for LEDA Grant project number 13LEDA0386 in the amount of \$1,000 to purchase equipment and supplies, radios etc. Nathan Spencer seconded the motion and all approved.

Robert Toothman made the motion to adjourn this meeting. Nathan Spencer seconded the motion. All approved. Motion Carried...Meeting adjourned.

Respectfully Submitted,



Dorinda L. Strother,
Town Recorder

TOWN OF CAPON BRIDGE

Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

EXCERPT OF MINUTES ON ADOPTION OF BOND ORDINANCE,
SUPPLEMENTAL RESOLUTION, DRAW RESOLUTION AND
SWEEP RESOLUTION

The undersigned CLERK of the Town of Capon Bridge of hereby certifies that the following is a true and correct excerpt of the minutes of a regular meeting of the said Council:

The Council of the Town of Capon Bridge met in regular session, pursuant to notice duly posted, on the 10th day of September, 2013, in the Town of Capon Bridge, West Virginia, at the hour of 7:00 p.m.

PRESENT:

Stephen Sirbaugh, Mayor
Dorinda Strother, Recorder
Nathan Spencer, Council Member
Robert Toothman, Council Member
Janet Baker, Council Member
Christopher Strother, Council Member

ABSENT:

Thomas Hinkle, Council Member

Stephen Sirbaugh, Mayor, presided, and Penelope Feather, acted as Clerk. The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Mayor stated that the proposed Bond Ordinance heretofore passed on first and second readings would be subject to protests and suggestions from any interested person at this time in accordance with the publication of an abstract of said Bond Ordinance and a Notice of Hearing, which publication has been duly made, and the Mayor called for protests and suggestions as to said Bond Ordinance and all persons desiring to

protest the said Bond Ordinance or to make any suggestions with reference thereto were heard.

There being no protests or suggestions made as to said Bond Ordinance, the Mayor thereupon stated that it would be in order to consider the said Bond Ordinance for final enactment and the Mayor caused the said Bond Ordinance to be read as follows:

ORDINANCE AUTHORIZING ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE TOWN OF CAPON BRIDGE AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF CAPON BRIDGE OF NOT MORE THAN \$2,200,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA DWTRF PROGRAM); AND NOT MORE THAN \$750,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, upon a motion was duly made by Robert Toothman, seconded by Janet Baker, and unanimously ordered that the said Bond Ordinance be adopted and be in full force and effect on and from the date hereof.

Next, the Mayor then presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA DWTRF PROGRAM), AND WATER REVENUE BONDS, SERIES 2013 B (WEST

VIRGINIA DWTRF PROGRAM) OF THE TOWN OF CAPON BRIDGE; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, upon a motion was duly made by Christopher Strother, seconded by Robert Toothman and was unanimously ordered that the said Supplemental Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the Mayor presented a proposed Draw Resolution for the approval of invoices. Thereupon, on a motion was duly made by Janet Baker, seconded by Nathan Spencer and was unanimously ordered that the said Draw Resolution be adopted.

Next, the Mayor presented a proposed Sweep Resolution for the authorization of electronic monthly debt service and reserve fund payments to the Municipal Bond Commission. Thereupon, a motion was duly made by Robert Toothman, seconded by Janet Baker, and it passed with the Mayor voting in favor.

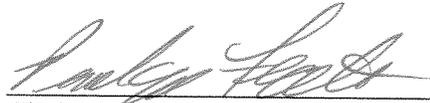
There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

[Remainder of Page Intentionally Blank]

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of the Town of Capon Bridge and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.

Dated: October 2, 2013.



Clerk

WV MUNICIPAL BOND COMMISSION
 900 Pennsylvania Avenue
 Suite 1117
 Charleston, WV 25301
 (304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 2-Oct-13

ISSUE: Town of Capon Bridge
Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program)

ADDRESS: Post Office Box 183, Capon Bridge, WV 26711 COUNTY: Hampshire

PURPOSE OF ISSUE:

New Money: x
 Refunding: _____

REFUNDS ISSUE(S) DATED: NA

ISSUE DATE: 2-Oct-13

CLOSING DATE: 2-Oct-13

ISSUE AMOUNT: \$1,989,000

RATE: 0% Administrative Fee: 1%

1ST DEBT SERVICE DUE: 1-Sep-15

1ST PRINCIPAL DUE: 1-Sep-15

1ST DEBT SERVICE AMOUNT \$16,575

PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:

Firm: Steptoe & Johnson PLLC
 Contact: John Stump, Esquire
 Phone: (304) 353.8196

UNDERWRITERS COUNSEL

Firm: Jackson Kelly, PLLC
 Contact: Samme Gee, Esquire
 Phone: (304) 340-1318

CLOSING BANK:

Bank: FNB Bank, Inc.
 Contact: Judy Fields
 Phone: 304.822.8700

ESCROW TRUSTEE:

Firm: _____
 Contact: _____
 Phone: _____

KNOWLEDGEABLE ISSUER CONTACT

Contact: Stephen Sirbaugh
 Position: Mayor
 Phone: 304.856.3625

OTHER:

Agency: West Virginia Bureau for Public Health
 Contact: Robert DeCrease
 Position: Manager
 Phone: (304) 558-2981

DEPOSITS TO MBC AT CLOSE

By:	<u>Wire</u>	Accrued Interest:	\$ _____
	<u>Check</u>	Capitalized Interest:	\$ _____
		Reserve Account:	\$ _____
		Other:	\$ _____

REFUNDS & TRANSFERS BY MBC AT CLOSE

By:	<u>Wire</u>	To Escrow Trustee	\$ _____
	<u>Check</u>	To Issuer	\$ _____
	<u>IGT</u>	To Cons. Invest. Func	\$ _____
		To Other:	\$ _____

NOTES: The Series 2013 A Reserve Account to be funded over 10 years.

FOR MUNICIPAL BOND COMMISSION USE ONLY:

DOCUMENTS REQUIRED: _____
 TRANSFERS REQUIRED: _____

TOWN OF CAPON BRIDGE

Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

FNB Bank, Inc., Romney, West Virginia, hereby accepts appointment as Depository Bank in connection with the Bond Ordinance of the Town of Capon Bridge (the "Issuer") enacted September 10, 2013, and the Supplemental Resolution of the Issuer adopted September 10, 2013 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), dated October 2, 2013, issued in the principal amount of \$1,989,000 and Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), dated October 2, 2013, issued in the principal amount of \$450,814 (collectively the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this 2nd day of October, 2013.

FNB BANK, INC.

By: 
Its Authorized Officer

Richard Hamblin
President + CEO

 VP/CEO

TOWN OF CAPON BRIDGE

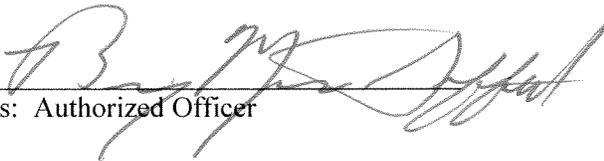
Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

ACCEPTANCE OF DUTIES AS REGISTRAR

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Town of Capon Bridge Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), dated October 2, 2013, issued in the principal amount of \$1,989,000 and Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), dated October 2, 2013, issued in the principal amount of \$450,814 (collectively, the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 2nd day of October, 2013.

THE HUNTINGTON NATIONAL BANK

By: 
Its: Authorized Officer

TOWN OF CAPON BRIDGE

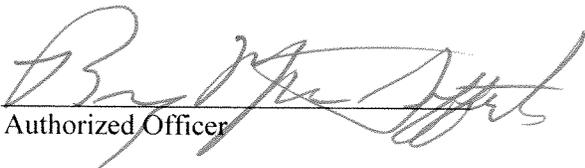
Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

CERTIFICATE OF REGISTRATION OF BONDS

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of the Town of Capon Bridge (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program), of the Issuer, dated October 2, 2013, in the principal amount of \$1,989,000, numbered AR-1, and the single, fully registered Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), of the Issuer, dated October 2, 2013, in the principal amount of \$450,814, numbered BR-1, were registered as to principal and interest, if any, in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of The Huntington National Bank, as Registrar.

WITNESS my signature on this 2nd day of October, 2013.

THE HUNTINGTON NATIONAL BANK

By: 
Its: Authorized Officer

TOWN OF CAPON BRIDGE

Water Revenue Bonds, Series 2013 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B
(West Virginia DWTRF Program)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 2nd day of October, 2013, by and between the TOWN OF CAPON BRIDGE, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$1,989,000 Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program) and \$450,814 Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program), in fully registered form (collectively, the "Bonds"), pursuant to the Bond Ordinance of the Issuer duly enacted September 10, 2013, and the Supplemental Resolution of the Issuer duly adopted September 10, 2013 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver the Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exclusion of interest, if any, on the Bonds from gross income for federal income tax purposes, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: Town of Capon Bridge
Post Office Box 183
Capon Bridge, West Virginia 26711
Attention: Mayor

REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

9. This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

TOWN OF CAPON BRIDGE

By: 
Its: Mayor

THE HUNTINGTON NATIONAL BANK

By: 
Its: Authorized Officer

124500.00001

EXHIBIT A

Bond Legislation included in bond transcript as Documents Nos. 1 and 2.

SCHEDULE OF COMPENSATION

(Please see attached)



STATEMENT OF REGISTRAR'S FEES
Invoice Date October 2, 2013

Town of Capon Bridge
Account Number 6089001809

Town of Capon Bridge
Water Revenue Bonds, Series 2013 A
c/o Katy Mallory
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

FEE CALCULATION FOR October, 2013

TOTAL AMOUNT	\$ 500.00
TOTAL DUE	<u>\$ 500.00</u>

MAIL CHECK TO:
THE HUNTINGTON NATIONAL BANK
ATTN: BARRY GRIFFITH – WE3013
PO BOX 633
CHARLESTON, WV 25322-0633

PLEASE INCLUDE A COPY OF THIS INVOICE WITH YOUR PAYMENT

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304) 348-5035



STATEMENT OF REGISTRAR'S FEES
Invoice Date October 2, 2013

Town of Capon Bridge
Account Number 6089001809

Town of Capon Bridge
Water Revenue Bonds, Series 2013 B
c/o Katy Mallory
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

FEE CALCULATION FOR October, 2013

TOTAL AMOUNT	\$ 500.00
TOTAL DUE	<u>\$ 500.00</u>

MAIL CHECK TO:
THE HUNTINGTON NATIONAL BANK
ATTN: BARRY GRIFFITH – WE3013
PO BOX 633
CHARLESTON, WV 25322-0633

PLEASE INCLUDE A COPY OF THIS INVOICE WITH YOUR PAYMENT

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304) 348-5035

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

350 CAPITOL STREET, ROOM 313

CHARLESTON, WV 25301-3718

Telephone (304) 558-2981

PERMIT

(Water)

PROJECT: Water System Improvements

PERMIT NO.: 19,139

LOCATION: Capon Bridge

COUNTY: Hampshire

DATE: 10-23-2012

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

**Town of Capon Bridge
P. O. Box 183
Capon Bridge, WV 26711**

is hereby granted approval to: install approximately 110 LF of 2", 25 LF of 3" 1,855 LF of 4", 11,590 LF of 6" and 7,120 LF of 8" water line; replace three (3) air relief valves; replace the existing booster station with a new 100 GPM duplex booster station with VFD; add new telemetry for booster station and two (2) existing water storage tanks; construct a low water bridge on access road to booster station and raw water spring source, and all necessary valves, controls and appurtenances.

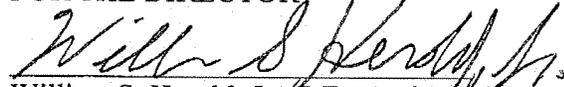
Facilities are to serve the Town of Capon Bridge.

Note: This permit is contingent upon all new water lines being disinfected, flushed and microbiologically tested prior to use.

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

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

FOR THE DIRECTOR,


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

WSH:snj

pc: Thrasher Engineering, Inc.
Ingrid Ferrell, PSC-Engineering Division
Amy Swann, PSC
Hampshire County Health Department
OEHS-EED Kearneysville District Office

10-569

Dan Ferrell

Town of Capon Bridge, Inc.

P.O. Box 183
Capon Bridge, WV 26711

304-856-3625

Police 304-856-2179

May 25, 2012

West Virginia Infrastructure and Jobs Development Council
ATTENTION: Jim Ellars, P. E., Director
Water Development Authority
Northgate Business Park
180 Association Drive
Charleston, WV 25311

RECEIVED

MAY 29 2012

THRASHER
ENGINEERING, INC.

**RE: Town of Capon Bridge Water System Improvements Project
Thrasher Engineering Project # 101-010-0569
WVIJDC Project 2011W-1234**

Dear Mr. Ellars:

The Town of Capon Bridge is writing to inform you that the Hampshire County Commission has awarded \$100,000 of additional financial assistance to the project referenced above. The Town wishes to increase the project amount by \$100,000 giving a total estimated project cost of \$2,582,000. The money will be used for the following:

1. The funds will be used to pay for a portion of the design fee, the aerial photography used to develop mapping for plans, and to cover Permit Application Fees.
2. As the design progresses, the Town will use funding to begin purchasing any necessary right-of-ways and easements needed for the construction of the project.
3. The Town's current billing system has failed. A portion of the funding will be used to purchase new billing software.

If you have any questions or concerns regarding the additional funding, please contact me at (304) 856-3625 or Dan Ferrell of Thrasher Engineering at (304) 624-4108.

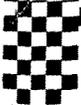
Sincerely,

TOWN OF CAPON BRIDGE



STEPHEN SIRBAUGH
Mayor

CC: Terry Lively, Region VIII Planning and Development Council
Dan Ferrell, P. E., Thrasher Engineering
Robert DeCrease, P. E., WV Department of Health and Human Resources



SHERIFF & TREASURER OF HAMPSHIRE COUNTY
PAYABLE OUT OF COUNTY FUND
ROMNEY, WV 26757

ES-122 No. 079025
522

BANK OF ROMNEY
ROMNEY, WV 26757

PAY TO THE ORDER OF

one hundred thousand and xx / 100

I.D. NO.	DATE	AMOUNT
TWCB	03/01/2012	100,000.00

TOWN OF CAPON BRIDGE
P. O. BOX 183
CAPON BRIDGE WV 26711

Robert J. Hoff
PRESIDENT

Matthew J. Dean
SHERIFF



Check Number 79025 Vendor No TWCB Check Date 03/01/2012 Amount 100,000.00 No. 079025

Invoice No	P O No	Quantity	Invoice Amt	Description	Invoice No	P O No	Quantity	Invoice Amt	Description
2/28/12		0.00	100,000.00	CCOMM-PROF SERVICES					

CLOSING MEMORANDUM

To: Financing Team
From: John C. Stump, Esquire
Date: October 2, 2013
Re: Town of Capon Bridge
1 Whiteacre Lane, Capon Bridge, West Virginia 26711
Water Revenue Bonds, Series 2013 A (West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2013 B (West Virginia DWTRF Program)

1. DISBURSEMENTS TO THE TOWN OF CAPON BRIDGE

- A. Payor: West Virginia Bureau for Public Health
Source: Water Revenue Bonds, Series 2013 A
Amount: \$283,726
Form: Wire Transfer
Payee: Town of Capon Bridge
Bank: FNB Bank, 105 North High Street, Romney, WV 26757
Contact: Judy Fields, 304.822.8700
Acct. No.: 7512340
ABA: 052201938
Account: Series 2013 Bonds Construction Trust Fund
- B. Payor: West Virginia Bureau for Public Health
Source: Water Revenue Bonds, Series 2013 B
Amount: \$-0-
Form: Wire Transfer
Payee: Town of Capon Bridge
Bank: FNB Bank, 105 North High Street, Romney, WV 26757
Contact: Judy Fields, 304.822.8700
Acct. No.: 7512340
ABA: 052201938
Account: Series 2013 Bonds Construction Trust Fund

124500.00001

TOWN OF CAPON BRIDGE

RESOLUTION OF THE TOWN OF CAPON BRIDGE APPROVING INVOICES RELATING TO CONSTRUCTION AND OTHER SERVICES FOR THE PROPOSED WATER PROJECT AND AUTHORIZING PAYMENT THEREOF,

WHEREAS, the Town of Capon Bridge has reviewed the invoices attached hereto and incorporated herein by reference relation to the construction of the Water Project funded by the West Virginia DWTRF Program and find as follows:

- a) That none of the items for which payment is proposed to be made has formed the basis for any disbursement theretofore made.
- b) That each item for which the payment is proposed to be paid is or was necessary in connection with the Project and constitutes a Cost of the project.
- c) That each of such costs has been otherwise properly incurred.
- d) That the payment for each of the items proposed is due and owing.

NOW, THEREFOR, BE IT RESOLVED the Town of Capon Bridge by as follows: There is hereby authorized and directed the payment of the attached invoices as follows:

Vendor	Total	DWTRF	DWTRF	County
Steptoe & Johnson	24,000.00	24,000.00	0.00	0.00
Huntington Bank	1,000.00	1,000.00	0.00	0.00
Steptoe & Johnson	8,500.00	8,500.00	0.00	0.00
Town Reimbursement	75,000.00	75,000.00	0.00	0.00
Thrasher	146,744.30	146,744.30	0.00	0.00
Royce Saville	12,500.00	12,500.00	0.00	0.00
Bennett & Dobbins	13,000.00	13,000.00	0.00	0.00
Region 8	2,981.17	2,981.17	0.00	0.00
Total	283,725.47	283,725.47	0.00	0.00

ADOPTED BY the Town of Capon Bridge, at the meeting held on the 10th day of September, 2013.

By: 
Its: Mayor

State of West Virginia
WATER DEVELOPMENT AUTHORITY

1009 Bullitt Street, Charleston, WV 25301
 (304)414-6500 - (304)414-0865 (Fax)

Internet: www.wvnda.org - Email: contact@wvnda.org

Date 10/1/13 Time _____ LGA Town of Capon Bridge Program DW

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
<u>Sheena Chadwell</u>	<u>WVWDA</u>	<u>304-414-6500</u>	<u>304-414-0865</u>	<u>S.Chadwell@wvnda.org</u>
<u>Stamm Lee</u>	<u>Jacksakelly LLC</u>	<u>304 340 1318</u>	<u>304 340 1272</u>	<u>sgre@jacksakelly.com</u>
<u>John Stump</u>	<u>Stump & Johnson</u>	<u>304 353 8161</u>	<u>304 353 8181</u>	<u>john.stump@stumpjohnson.com</u>

The Authority requests that they following information concerning the individual who will be responsible for sending Debt Service Payments to the Municipal Bond Commission be provided. (If that individual is in attendance, he/she should also sign above.) Please Print:

Name Stephen Sirbaugh, Mayor Telephone 304.856.3625 E-Mail N/A
 Address P.O. Box 183, Capon Bridge WV 26711

REMINDER: As a participant in this program, the Local Governmental Agency (LGA) agrees and is required to submit annually to the WDA a copy of its audited financial statements and a copy of its adopted budget. Also, pursuant to the Loan Agreement and the Non-Arbitrage Certificate (both of which are contained in the bond transcript) you are to provide annually to the WDA a rebate calculation certificate or an exception opinion showing whether a rebate amount is due to the US Government under arbitrage requirements in Section 148(f) of the US Internal Revenue Code 1986 as amended.

SWEEP RESOLUTION

WHEREAS, the Town of Capon Bridge (the "Issuer") is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes monthly debt service payments on the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer thereby eliminating delay in payments and lost checks;

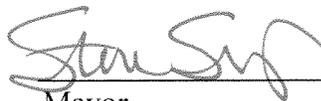
WHEREAS, Pursuant to Chapter 13, Article 3, Section 5a, the MBC has established fees for its services (the "MBC Fee");

WHEREAS, the Issuer find and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic transfer with the State Treasurer **sweeping** the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

- 1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, shall be made to the MBC by electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.
- 2) The Mayor and Clerk are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.
- 3) This resolution shall be effective immediately upon adoption.

Adopted this 10th day of September, 2013.



Mayor



Clerk