

**CITY OF CAMERON**  
**Sewer Revenue Bonds**  
**Series 2000 A**  
**(West Virginia Infrastructure Fund)**

**Date of Closing: July 13, 2000**

**BOND TRANSCRIPT**

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**CITY OF CAMERON**

**Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)**

**BOND TRANSCRIPT**

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**CITY OF CAMERON**

**SEWER REVENUE BONDS,  
SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND)**

**BOND ORDINANCE**

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CITY OF CAMERON

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF CAMERON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$2,700,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF CAMERON:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

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

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

A. The City of Cameron (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements to the existing public sewerage system of the Issuer, consisting of a new wastewater treatment plant and replacing and rehabilitating the existing collection system, together with all appurtenant facilities (collectively, the "Project"), which constitute properties for the collection, transportation, treatment purification and disposal of liquid or solid wastes, sewage or industrial wastes (the existing public sewerage system of the Issuer, the Project and any further additions, betterments and improvements 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 City Clerk of the Issuer.

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

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), in the total aggregate principal amount of not more than \$2,700,000 (the "Series 2000 A Bonds"), to permanently finance costs of acquisition and construction of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Series 2000 A Bonds prior to and during construction or acquisition and for a period not exceeding 6 months after completion of construction of the Project; amounts which may be deposited in the Series 2000 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2000 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2000 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 2000 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), in form satisfactory to the Issuer, the Authority and the Council (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

G. There is an outstanding obligation of the Issuer which will rank on a parity with the Series 2000 A Bonds as to liens, pledge, source of and security for payment, being the Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program), dated November 13, 1997, issued in the original aggregate principal amount of \$450,000 (the "Series 1997 A Bonds" or the "Prior Bonds"). Prior to the issuance of the Series 2000 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the parity test of the Prior Bonds is met; and (ii) the written consent of the Holder of the Prior Bonds to the issuance of the Series 2000 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no other 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 and the principal of and interest on the Series 2000 A Bonds and the Prior 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 2000 A 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 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 2000 A Bonds or such final order will not be subject to appeal.

J. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and the System; 95% or more of the Net Proceeds of the Series 2000 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the Issuer, all subordinate entities, all entities which issue obligations on behalf of the Issuer, and all entities formed or, to the extent provided under Section 148 of the Code, herein defined, availed of, to avoid the purposes of Section 148(f)(4)(D) of the Code and all other entities benefitting thereby reasonably expect to issue less than \$5,000,000 aggregate principal amount of tax-exempt obligations (other than private activity bonds) during the calendar year in which the Series 2000 A Bonds are to be issued.

K. Pursuant to the Act, the Issuer has heretofore established a Sanitary Board, and the Sanitary Board has petitioned the Governing Body to issue the Series 2000 A Bonds for the purposes set forth herein.

L. The Project has been reviewed and determined to be technically and financially feasible by the 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 2000 A Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Series 2000 A Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

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

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2000 A Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

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

"Board" means the Sanitary Board of the Issuer.

"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 2000 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

"City Clerk" means the City Clerk of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2000 Bonds for all or a portion of the proceeds of the Series 2000 A Bonds from the Authority.

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

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

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

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

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

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

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

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

"Governing Body" means the council of the Issuer, 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.

"Grant" means all grant moneys received by the Issuer for the Project.

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

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

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

"Investment Property" means

(A) any security (within the meaning of Section 165(g)(2)(A) or (B) of the Code),

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

(E) in the case of a bond other than a private activity bond, any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan.

Except as provided in the following sentence, the term "Investment Property" does not include any tax-exempt bond. With respect to an issue other than an issue a part of which is a specified private activity bond (as defined in section 57(a)(5)(C) of the Code), the term "Investment Property" includes a specified private activity bond (as so defined).

"Issuer" means the City of Cameron, a municipal corporation and political subdivision of the State of West Virginia, in Marshall 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 Council, providing for the purchase of the Series 2000 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2000 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Reserve Accounts. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2000 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property as defined in Section 148(b) of the Code, that is not a purpose investment.

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

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

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

"Paying Agent" means the Commission or other entity designated as such for the Series 2000 A Bonds in the Supplemental Resolution.

"Prior Bonds" means the Series 1997 A Bonds.

"Prior Ordinance" means the ordinance of the Issuer enacted on August 4, 1997, as supplemented by the supplemental resolution of the Issuer adopted on November 3, 1997, authorizing the issuance of the Series 1997 A Bonds.

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

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

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

- (a) Government Obligations;
- (b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;
- (c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States;

Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

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

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

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

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

(h) The West Virginia "consolidated fund" managed by the West Virginia Investment Management Board pursuant to

Chapter 12, Article 6 of the West Virginia Code of 1931, as amended; and

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

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

"Registrar" means the Bond Registrar.

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

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

"Reserve Accounts" means, collectively, the respective Reserve Accounts established for the Series 2000 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in any Reserve Account for the Prior Bonds and the Series 2000 A Bonds.

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

"Series 1997 A Bonds" means the Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program), dated November 13, 1997, described in Section 1.02G hereof.

"Series 2000 A Bonds" means the Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), of the Issuer, authorized by this Bond Legislation.

"Series 2000 A Bonds Construction Trust Fund" means the Series 2000 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2000 A Bonds Reserve Account" means the Series 2000 A Bonds Reserve Account established in the Series 2000 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 2000 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 2000 A Bonds in the then current or any succeeding year.

"Series 2000 A Bonds Sinking Fund" means the Series 2000 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2000 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2000 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2000 A Bonds, and not so included may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Series 2000 A Bonds, the Prior Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund and the Reserve Accounts.

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

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

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

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 III

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

Section 3.01.      Authorization of Bonds. For the purposes of capitalizing interest on the Series 2000 A Bonds, if any, funding a reserve account for the Series 2000 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2000 A Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be issued the negotiable Series 2000 A Bonds of the Issuer. The Series 2000 A Bonds shall be issued as a single bond, designated as "Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund)," in the principal amount of not more than \$2,700,000 and both shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2000 A Bonds remaining after funding of the Series 2000 A Bonds Reserve Account (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Series 2000 A Bond Construction Trust Fund established by Section 5.01 hereof.

Section 3.02.      Terms of Bonds. The Series 2000 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 2000 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2000 A Bonds, if any, 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 2000 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2000 A Bonds. The Series 2000 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, if any, as set forth in a Supplemental Resolution.

Section 3.03.      Execution of Bonds. The Series 2000 A Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2000 A Bonds shall cease to be such officer of the Issuer before the Series 2000 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2000 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04.      Authentication and Registration. No Series 2000 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2000 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05.      Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2000 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2000 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2000 A Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2000 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2000 A Bonds or transferring the registered Series 2000 Bonds are exercised, all Series 2000 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2000 A Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2000 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2000 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2000 A Bonds or, in the case of any proposed redemption of Series 2000 A Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06.      Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2000 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07.      Bonds not to be Indebtedness of the Issuer. The Series 2000 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the System as herein provided. No Holder or Holders of the Series 2000 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2000 A Bonds or the interest, if any, thereon.

Section 3.08.      Bonds Secured by Pledge of Net Revenues; Lien Position with respect to Prior Bonds. The payment of debt service of the Series 2000 A Bonds shall be secured by a first lien on the Net Revenues derived from the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2000 A Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation are hereby irrevocably pledged to such payments as they become due.

Section 3.09.      Delivery of Bonds. The Issuer shall execute and deliver the Series 2000 A Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2000 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2000 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2000 A Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2000 A Bonds.

Section 3.10.      Form of Bonds. The text of the Series 2000 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
CITY OF CAMERON  
SEWER REVENUE BOND, SERIES 2000 A  
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-\_\_\_\_\_

\$\_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CAMERON, a municipal corporation and political subdivision of the State of West Virginia in Marshall 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\_\_\_\_, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated \_\_\_\_\_, 2000.

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

herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on \_\_\_\_\_, 2000, and a Supplemental Resolution duly adopted by the Issuer on \_\_\_\_\_, 2000 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 13, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$450,000 (THE "SERIES 1997 A BONDS" OR THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the System, on a parity with the pledge of Net Revenues in favor of the holders of the Prior Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 2000 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 2000 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2000 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms

of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CAMERON has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated \_\_\_\_\_, 2000.

[SEAL]

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 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: \_\_\_\_\_, 2000.

ONE VALLEY BANK,  
NATIONAL ASSOCIATION,  
as Registrar

\_\_\_\_\_  
Authorized Officer



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: \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

In the presence of:

\_\_\_\_\_

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2000 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the City 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. The Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated into this Bond Legislation.

Section 3.12. "Amended Schedule" Filing. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority and the Council, the schedule, the form of which will be provided by the Council, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

## ARTICLE V

### FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank.

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

- (1) Revenue Fund (established by the Prior Ordinance);
- (2) Renewal and Replacement Fund (established by the Prior Ordinance); and
- (3) Series 2000 A Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission.

The following special funds or accounts are hereby created with (or continued if previously established by the Prior Ordinances) 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 1997 A Bonds Sinking Fund (established by the Prior Ordinance);
- (2) Within the Series 1997 A Bonds Sinking Fund, the Series 1997 A Bonds Reserve Account (established by the Prior Ordinance);
- (3) Series 2000 A Bonds Sinking Fund; and
- (4) Within the Series 2000 A Bonds Sinking Fund, the Series 2000 A Bonds Reserve Account;

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 the Prior Ordinance and 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 the Prior Ordinance and this Bond Legislation. All moneys in the Revenue Fund shall be disposed of only in the following manner and order of priority:

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

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1997 A Bonds Sinking Fund, the amount required by the Prior Ordinance for payment of the principal of the Series 1997 A Bonds; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2000 A Bonds, for deposit in the Series 2000 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2000 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 2000 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1997 A Bonds Reserve Account, the amount required by the Prior Ordinance to be deposited therein; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2000 A Bonds, if not fully funded upon issuance of the Series 2000 A Bonds, for deposit in the Series 2000 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2000 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2000 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 2000 A Bonds Reserve Requirement.

(4) The Issuer shall next, each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, an amount equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the

maximum extent required hereof) shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

Moneys in the Series 2000 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2000 A Bonds as the same shall become due. Moneys in the Series 2000 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2000 A Bonds as the same shall come due, when other moneys in the Series 2000 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 2000 A Bonds Sinking Fund, and the Series 2000 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 Bond Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2000 A Bonds and then to the next ensuing principal payment due thereon, all on a pro rata basis.

Any withdrawals from the Series 2000 A Bonds Reserve Account which result in a reduction in the balance therein to below the Series 2000 A Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2000 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional parity Bonds.

The Issuer shall not be required to make any further payments into the 2000 A Bonds Sinking Fund or the Series 2000 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2000 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Interest, principal or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2000 A Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2000 A Bonds Sinking Fund and the Series 2000 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the

Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, 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.

Moneys in the Series 2000 A Bonds Sinking Fund and the Series 2000 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2000 A Bonds Sinking Fund and the Series 2000 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2000 A Bonds under the conditions and restrictions set forth herein.

B. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinabove 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 the Act, such excess shall be considered as surplus revenues (the "Surplus Revenues"). Surplus Revenues may be used for any lawful purpose of the System.

C. 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 interest, principal and reserve account payments with respect to the Series 2000 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. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

D. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calendar month.

E. 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 paragraph, 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.

F. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in any of the 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.

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

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

## ARTICLE VI

### BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of the Series 2000 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2000 A Bonds, there shall first be deposited with the Commission in the Series 2000 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 2000 A Bonds, there shall be deposited with the Commission in the Series 2000 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2000 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 2000 A Bonds, such moneys shall be deposited with the Depository Bank in the Series 2000 A 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 2000 A Bonds.

D. 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 2000 A Bonds shall be expended as approved by the Council.

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

Except as provided in Section 6.01 hereof, disbursements from the Series 2000 A Bonds Construction Trust Fund shall be made only after submission to and approval from the Council, of a certificate, signed by an Authorized Officer and the Consulting Engineers, 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, moneys in the Bond Construction Trust Fund, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

The Issuer shall expend all proceeds of the Series 2000 A Bonds within 3 years of issuance of the State's general obligation bonds, the proceeds of which were used to make the loan to 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 2000 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2000 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2000 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2000 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2000 A Bonds, shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2000 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service of the Series 2000 A Bonds shall be secured by a first lien on the Net Revenues derived from the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Prior Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2000 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The 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. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the sewer rate ordinance of the Issuer duly enacted on June 7, 1999.

So long as the Series 2000 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 and charges initially established for the System in connection with the Series 2000 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 Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinance. Additionally, so long as the Series 2000 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Council and the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to 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 2000 A Bonds, immediately be remitted to the Commission for deposit in the Series 2000 A Bonds Sinking Fund, and, with the written permission of the Council and 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 2000 A Bonds. Any balance remaining after the payment of the Series 2000 A 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, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, 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 provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine, upon consultation with a professional engineer, that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds of any such

sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amount required to be paid into such account by other provisions of this Bond Legislation.

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

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2000 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2000 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 2000 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation 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 2000 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2000 A Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinance shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2000 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the Council and without complying

with the conditions and requirements herein provided (unless less restrictive than the provisions of the Prior Ordinance).

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2000 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the acquisition or construction of additions, extensions, improvements or betterments to the System or refunding the Series 2000 A Bonds issued pursuant hereto, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the 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 Parity Bonds, plus the estimated average increased annual Net Revenues expected 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 expected 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 the improvements to be financed by such Parity Bonds and any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the 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 City Clerk prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12 consecutive month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, as stated in a certificate, 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 covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. All Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Net Revenues of the System, and their source of and security for payment from the Net Revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 2000 Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2000 A Bonds.

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 with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of the Parity Bonds, and the Issuer then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

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 Council, or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority and the Council such documents and information as they may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the Authority and the Council, or their agents and representatives, to inspect all records pertaining to the operation 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 Council, or any other original purchaser of the Series 2000 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2000 A Bonds, requesting the same, an annual report containing the following:

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountant in compliance with the applicable OMB Circular, or any successor thereof, and the Single Audit Act, or any successor thereof, to the extent legally required, and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountant, or a summary thereof, to any Holder or Holders of the Series 2000 A Bonds and shall submit said report to the Authority and the Council, or any other original purchaser of the Series 2000 A Bonds. Such audit report submitted to the Authority and the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the 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 Council, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction of the Project, the Issuer shall also provide the Authority and the Council, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2000 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the City Clerk, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2000 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2000 A Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit in the Series 2000 A Reserve Account and the Reserve Accounts for obligations on a parity with the Series 2000 A Bonds are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2000 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2000 A Bonds, including the Prior

Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

Section 7.10. Operating Budget 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 Council within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall within 30 days of adoption thereof mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and the Council 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 any Holder of any Bonds or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for 2 years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Authority and the Council by the 10th day of each month.

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

The Issuer shall provide and maintain competent and adequate resident engineering services satisfactory to the Authority and the Council covering the supervision

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

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

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

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

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

Section 7.14.      No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee 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 2000 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

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

with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Board and such payment bonds will be filed with the City 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 worker's 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 Council 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. Mandatory Connections. The mandatory use of the sewerage facilities portion of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Division of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the sewerage facilities portion of the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Division of Health and such house, dwelling or building can be adequately served by the sewerage facilities portion of the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the sewerage facilities portion of the System, pay the rates and charges established therefor.

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

Section 7.17. Completion of Project; Permits and Orders. The Issuer shall 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 has obtained all permits required by State and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition and construction of the Project, the operation of the System and all approvals for issuance of the Bonds required by State law, with all requisite 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 shall provide the Council with copies of all documents submitted to the Authority.

The Issuer shall also comply with all applicable laws, rules and regulations issued by the Authority and the Council or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

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

A.    **PRIVATE BUSINESS USE LIMITATION.** The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2000 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2000 A Bonds during the term thereof is, under the terms of the Series 2000 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2000 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2000 A Bonds during the term thereof is, under the terms of the Series 2000 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2000 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2000 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B.    **PRIVATE LOAN LIMITATION.** The Issuer shall assure that not in excess of 5% of the Net Proceeds of the Series 2000 Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C.    **FEDERAL GUARANTEE PROHIBITION.** The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2000 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D.    **INFORMATION RETURN.** If required, the Issuer shall file all statements, instruments and returns necessary to assure the tax-exempt status of the

Series 2000 A Bonds and the interest, if any, thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. **FURTHER ACTIONS.** The Issuer shall take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest, if any, on the Series 2000 A Bonds will be and remain excludable from gross income for federal income tax purposes, and shall not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.20. Securities Laws Compliance. The Issuer shall 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; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2000 A 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 Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2000 A Bonds held in "contingency" as set forth in the Schedule B attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the Council before expending any proceeds of the Series 2000 A Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the Authority and the Council 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.

## ARTICLE VIII

### INVESTMENT OF FUNDS; NON ARBITRAGE

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often if reasonably requested by the Issuer), a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2000 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest, if any, on the Series 2000 A Bonds from gross income for federal income tax purposes.

Section 8.02.      Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2000 A Bonds which would cause the Series 2000 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 2000 A Bonds) so that the interest, if any, on the Series 2000 A Bonds will be and remain excludable from gross income for

federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Small Issuer Exemption from Rebate of Excess Investment Earnings to the United States. In accordance with Section 148 (f)(4)(D) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that no part of the Series 2000 A Bonds are private activity bonds; that 95 % or more of the Net Proceeds of the Series 2000 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Series 2000 A Bonds are issued does not and will not exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect and applicable to the Series 2000 A Bonds. For purposes of the first paragraph of Section 8.03 and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer.

Notwithstanding the foregoing, if in fact the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to make, or cause to be made, all rebate calculations, computations and payments in the time, manner and as required in Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 2000 A Bonds and otherwise covenants and agrees to comply with the provisions of such Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 2000 A Bonds. In the event of a failure to pay the correct rebate amount, the Issuer will pay from any lawful sources available therefor, to the United States such amount, plus a penalty equal to 50% of the rebate amount not paid, plus interest on that amount unless waived. In order to provide for the administration of this paragraph, the Issuer may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Issuer may deem appropriate.

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be

requested by the Authority. In addition, the Issuer shall cooperate with the Authority in preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation or, if the Issuer qualifies for the small governmental issue exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 2000 A Bonds subject to rebate. The Issuer shall also furnish the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority, including information with respect to earnings on all funds constituting "gross proceeds" of the Series 2000 A Bonds (as such term "gross proceeds" is defined in the Code).

Section 8.04. 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 2000 A Bonds as a condition to issuance of the Series 2000 A 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 2000 A Bonds as may be necessary in order to maintain the status of the Series 2000 A 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 2000 A 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 Council, as the case may be, from which the proceeds of the Series 2000 A 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 Council, 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 Resolution.

## 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 2000 A Bonds:

- (1) If default occurs in the due and punctual payment of the principal of or interest, if any, on any Series 2000 A Bonds; or
- (2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on their respective parts relating to the Series 2000 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2000 A Bonds, and such default shall have continued for a period of 30 days after the Issuer or Issuer, as appropriate 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 or Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America; or
- (4) If default occurs with respect to the Prior Bonds or the Prior Ordinance.

Section 9.02.      Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided however, that all rights and remedies of the Holders of the Series 2000 A Bonds shall be on a parity with those of the Holders of the Prior Bonds.

Section 9.03.      Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the

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

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

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

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

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

making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of 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 2000 A Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2000 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2000 A Bonds from gross income for federal income tax purposes.

## ARTICLE XI

### MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to the issuance of the Series 2000 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2000 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the respective rights of Registered Owners of the Series 2000 A Bonds shall be made without the consent in writing of the Registered Owners of the Series 2000 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2000 A Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest, if any, on the Series 2000 A Bonds from gross income of the holders thereof.

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

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Series 2000 A Bonds.

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

Section 11.05. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict between

this Ordinance and the Prior Ordinance, the Prior Ordinance shall control (unless less restrictive), so long as the Prior Bonds are outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the City 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.

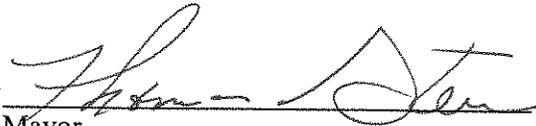
Section 11.07. Effective Date. This Ordinance shall take effect immediately following public hearing and final reading hereof.

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

Passed on First Reading: May 22, 2000

Passed on Second Reading: June 5, 2000

Passed on Final Reading  
Following Public  
Hearing: June 19, 2000

  
Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY  
OF CAMERON on the 19th day of June, 2000.

Dated: July 13, 2000.

[SEAL]

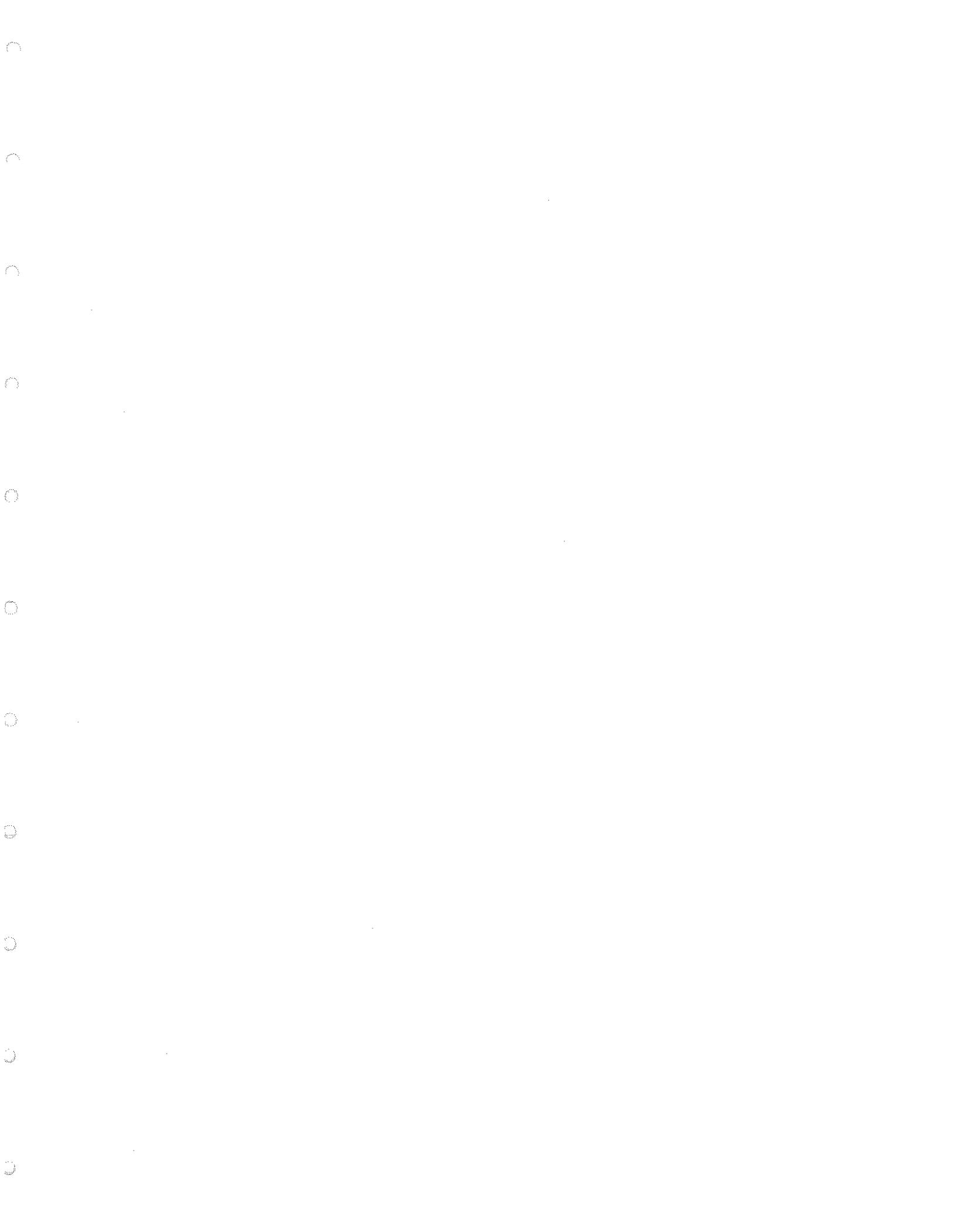
City Clerk

A handwritten signature in cursive script, appearing to read "Judy L. Hunt", is written over a horizontal line. The signature is fluid and extends above and below the line.

07/12/00  
123610/99001

EXHIBIT A

Loan Agreement is included in bond transcript as Document 3.



CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF THE CITY OF CAMERON RATIFYING AND APPROVING A LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of the City of Cameron (the "Issuer"), has duly and officially adopted and enacted a bond ordinance, effective June 19, 2000 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF CAMERON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$2,700,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING

AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds" or "Series 2000 A Bonds"), in the aggregate principal amount not to exceed \$2,700,000, and has authorized the execution and delivery of a loan agreement relating to the Bonds (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

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

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF CAMERON:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$2,530,188. The Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2040, and shall bear no interest. The principal of the Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2002, and ending June 1, 2040, 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 Bonds. The Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Bonds.

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

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

Section 4. The Issuer does hereby appoint and designate One Valley Bank, National Association, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds 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 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Ordinance.

Section 6. The Issuer does hereby appoint and designate One Valley Bank - North, Inc., Cameron, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2000 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2000 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2000 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2000 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Bonds shall be deposited in or credited to the Series 2000 A Bonds Construction Trust Fund for payment of costs of the Project, including costs of issuance of the Bonds and related costs.

Section 10. The Mayor and the City 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 July 13, 2000, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds 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 12. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

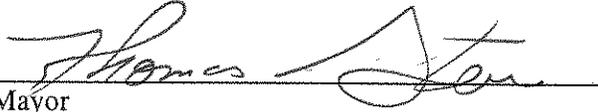
Section 13. The Issuer hereby determines to invest all moneys in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Moneys in the Series 2000 A Bonds Sinking Fund, including the Series 2000 A Bonds Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 14. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder or under any predecessor thereto (the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and Treasury Regulations to be promulgated thereunder.

Section 15. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 10th day of July, 2000.

CITY OF CAMERON

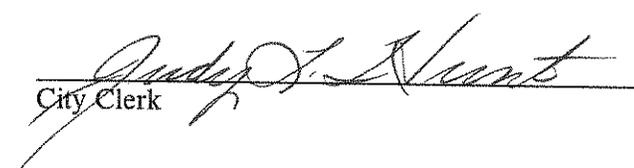
  
\_\_\_\_\_  
Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Cameron on the 10th day of July, 2000.

Dated: July 13, 2000.

[SEAL]

  
\_\_\_\_\_  
City Clerk

06/29/00  
123610.99001

IC-1

(4/6/00)

LOAN AGREEMENT

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

CITY OF CAMERON  
(Governmental Agency)

WITNESSETH:

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

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

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

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

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for a Construction Loan with attachments and exhibits and an Amended Application for a Construction Loan also with attachments and exhibits (together,

as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference; and

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

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

## ARTICLE I

### Definitions

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

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

1.3 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any qualified successor thereto; provided, however, when a Loan is made for a Project financed, in part, by the Office of Abandoned Mine Lands, "Consulting Engineers" shall mean the West Virginia Division of Environmental Protection, or any successor thereto.

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

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

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

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

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

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

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

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

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

## ARTICLE II

### The Project and the System

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

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

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

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

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

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

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

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall

maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

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

2.10 The Governmental Agency shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Governmental Agency shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of this Loan Agreement.

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

2.12 The Governmental Agency, commencing on the date contracts are executed for the construction of the Project and for two years following the completion of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward a copy by the 10<sup>th</sup> of each month to the Authority and Council.

## ARTICLE III

### Conditions to Loan; Issuance of Local Bonds

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

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

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

(c) The Governmental Agency shall either have received bids or entered 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 Governmental Agency must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit A:

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

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the 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 the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

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

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

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

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

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

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

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

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

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

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

#### ARTICLE IV

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

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

(a) That the gross revenues of the System shall always be used for purposes of the System. Such gross revenues shall 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 (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit or surety) 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 Governmental Agency has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues of the System, as more fully set forth in Schedule X attached hereto and 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 Governmental Agency shall complete the Project and operate and maintain the System in good condition;

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

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, 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 and the Council; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

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

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

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

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

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

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

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

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

(xvii) That the Governmental Agency 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 Governmental Agency 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;

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

(xx) That the Governmental Agency shall have obtained the certificate of the Consulting Engineer in the form attached hereto as Exhibit A, 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 the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

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

(xxii) That the Governmental Agency shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the Local Bonds (as that term is defined in the Internal Revenue Code of 1986, as amended) from time to time as the Authority may request;

(xxiii) That the Governmental Agency shall submit all proposed change orders to the Council for written approval. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds held in "contingency" as set forth in the final Schedule B attached to the certificate of the Consulting Engineer. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds available due to bid/construction/project underruns; and

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council 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 groundbreaking or dedication of the Project.

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

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

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

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

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

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

## ARTICLE V

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

5.1 The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Loan Agreement and the Local Act. The Governmental Agency hereby further irrevocably covenants and agrees that.

as one of the conditions of the Authority to make the Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System 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 Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (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 Governmental Agency defaults in the payment due to the Authority pursuant to Section 4.2 hereof, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency, the Authority may exercise any or all of the rights and powers granted under the Act and State law, including, without limitation, the right to an appointment of a receiver.

## ARTICLE VI

### Other Agreements of the Governmental Agency

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

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

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

6.4 The Governmental Agency hereby agrees to give the Authority and the Council 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.

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

## ARTICLE VII

### Miscellaneous

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

7.2 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 Governmental Agency supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority and the Council.

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

7.4 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.

7.5 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.

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

7.7 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.

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

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

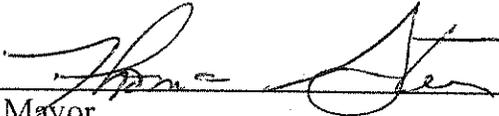
7.10 This Loan Agreement shall terminate upon the earlier of:

- (i) the end of ninety (90) days after the date of execution hereof by the Authority if the Governmental Agency has failed to deliver the Local Bonds to the Authority;
- (ii) termination by the Authority pursuant to Section 6.1 hereof; or
- (iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Governmental Agency to the Authority, acting on behalf of the Council.

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.

CITY OF CAMERON

(SEAL)

By:   
Its: Mayor

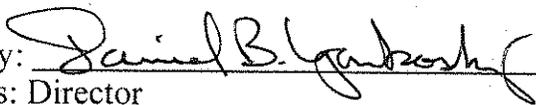
Attest:

Date: 7/5/00

  
Its: City Clerk

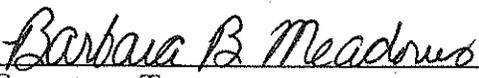
WEST VIRGINIA WATER  
DEVELOPMENT AUTHORITY

(SEAL)

By:   
Its: Director

Attest:

Date: 7/05/00

  
Secretary-Treasurer

00832/00466  
4/7/00

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

\_\_\_\_\_  
(Issuer)

\_\_\_\_\_  
(Name of Bonds)

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

1. My firm is engineer for the acquisition and construction of \_\_\_\_\_ to the \_\_\_\_\_ system (the "Project") of \_\_\_\_\_ (the "Issuer"), to be constructed primarily in \_\_\_\_\_ 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 not defined herein shall have the same meanings set forth in the bond \_\_\_\_\_ adopted or enacted by the Issuer on \_\_\_\_\_, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated \_\_\_\_\_.

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 [DEP/BPH/PSC] and any change orders approved by the Issuer, the Council 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 the Schedule B attached hereto as Exhibit A and my firm<sup>1</sup> 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 reflect the Project as approved by the [DEP/BPH/PSC] 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 thereof, <sup>2</sup>the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan 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 set forth in the Schedule B attached hereto and approved by the Council; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Costs of Financing" for the Project.

WITNESS my signature and seal on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

[SEAL]

\_\_\_\_\_  
By: \_\_\_\_\_  
West Virginia License No. \_\_\_\_\_

\_\_\_\_\_  
<sup>1</sup>If 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".

<sup>2</sup>If 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 B

[Opinion of Bond Counsel for Governmental Agency]

[To Be Dated as of Date of Loan Closing]

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

West Virginia Water Development Authority  
180 Association Drive  
Charleston, West Virginia 25311

Ladies and Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated \_\_\_\_\_, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated \_\_\_\_\_, (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 \$\_\_\_\_\_, in the form of one bond, registered as to principal and interest to the Authority, with interest and principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, beginning \_\_\_\_\_, 1, \_\_\_\_\_, and ending \_\_\_\_\_, 1, \_\_\_\_\_, 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 Governmental Agency on \_\_\_\_\_, as supplemented by the supplemental resolution duly adopted by the Governmental Agency 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 Governmental Agency and is a valid and binding special obligation of the Governmental Agency enforceable in accordance with the terms thereof.

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

3. The Governmental Agency 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 Governmental Agency and constitute valid and binding obligations of the Governmental Agency enforceable against the Governmental Agency 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 Governmental Agency to the Authority and are valid and legally enforceable and binding special obligations of the Governmental Agency, payable from the net or gross revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the net or gross 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 the executed and authenticated Local Bond numbered R-1, and in our opinion the form of said bond and its execution and authentication are regular and proper.

Very truly yours,

EXHIBIT C

[Form of Monthly Financial Report]  
[Name of Governmental Agency]  
[Name of Bond Issue]  
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 MINUS YEAR TO DATE</u>
1. Gross Revenues Collected				
2. Operating Expenses				
3. Other Bond Debt Payments (including Reserve Account Deposits)				
4. Bond Payments (include Reserve Account Deposits)				
5. Renewal and Replacement Fund Deposit				

Witnesseth my signature this \_\_\_\_ day of \_\_\_\_\_.

[Name of Governmental Agency]

By: \_\_\_\_\_  
Authorized Officer

## Instructions for Completing Monthly Financial Report

1. You will need a copy of the current fiscal year budget adopted by the Governmental Agency to complete Items 1 and 2. In Item 1, provide the amount of actual gross revenues for the current month and the total amount year to date in the respective columns. Divide the budgeted annual gross revenues by 12. For example, if gross revenues of \$1,200 are anticipated to be received for the year, each month the base would be increased by \$100 ( $1200/12$ ). This is the incremental amount for the Budget Year to Date column.
2. In Item 2, provide the amount of actual operating expenses for the current month and the total amount year to date in the respective columns. The SRF administrative fee should be included in the operating expenses. Divide the budgeted annual operating expenses by 12. For example, if operating expenses of \$900 are anticipated to be incurred for the year, each month the base would be increased by \$75 ( $900/12$ ). This is the incremental amount for the Budget Year to Date column.
3. In Item 3, provide the principal, interest and reserve account payments for all the outstanding bonds of the Governmental Agency other than this Loan.
4. In Item 4, provide the principal, interest and reserve account payments for this Loan. You need to call the Municipal Bond Commission for the exact amount of these payments and when they begin.
5. In Item 5, 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 Items 3 and 4. If gross revenues are \$12,000, the Renewal and Replacement Fund should have an amount of \$300 (2.5% of \$12,000), LESS the amount of all reserve account payments in Items 3 & 4. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Governmental Agency.
6. The Governmental Agency must complete the Monthly Financial Report and forward it to the Council by the 10<sup>th</sup> day of each month, commencing on the date contracts are executed for the construction of the Project and for 2 years following the completion of the Project. The Council will notify the Governmental Agency when the Monthly Financial Report no longer needs to be filed.

EXHIBIT D

[Monthly Payment Form]

West Virginia Water Development Authority  
180 Association Drive  
Charleston, WV 25311

Re: [Name of bond issue]

Ladies and Gentlemen:

The following deposits were made to the West Virginia Municipal Bond Commission on behalf of [Name of Governmental Agency] on [Date].

Sinking Fund:

Interest \$ \_\_\_\_\_

Principal \$ \_\_\_\_\_

Total: \$ \_\_\_\_\_

Reserve Account: \$ \_\_\_\_\_

Witness my signature this \_\_\_\_ day of \_\_\_\_\_.

[Name of Governmental Agency]

By: \_\_\_\_\_  
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X-

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds	<u>\$ 2,530,188</u>
Purchase Price of Local Bonds	<u>\$ 2,530,188</u>

The Local Bonds shall bear no interest. Commencing September 1, 2002, principal of the Local Bonds is payable quarterly. 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 Governmental Agency shall submit its payments monthly to the Commission which will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority.

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

The Governmental Agency may prepay the Local Bonds in full at any time at the price of par but only with the Council's written consent. The Governmental Agency shall request approval from the Authority and Council in writing of any proposed debt which will be issued by the Governmental Agency on a parity with 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 Governmental Agency:

Sewerage System Design Revenue Bonds, Series 1997A, dated November 13, 1997, in the original principal amount of \$450,000.

SCHEDULE Y

**City of Cameron (West Virginia)**

*Loan of \$2,530,188*

*40 Years, 0% Interest Rate*

*Closing Date: July 13, 2000*

**DEBT SERVICE SCHEDULE**

Date	Principal	Coupon	Total P+I
9/01/2000	-	-	-
12/01/2000	-	-	-
3/01/2001	-	-	-
6/01/2001	-	-	-
9/01/2001	-	-	-
12/01/2001	-	-	-
3/01/2002	-	-	-
6/01/2002	-	-	-
9/01/2002	16,646.00	-	16,646.00
12/01/2002	16,646.00	-	16,646.00
3/01/2003	16,646.00	-	16,646.00
6/01/2003	16,646.00	-	16,646.00
9/01/2003	16,646.00	-	16,646.00
12/01/2003	16,646.00	-	16,646.00
3/01/2004	16,646.00	-	16,646.00
6/01/2004	16,646.00	-	16,646.00
9/01/2004	16,646.00	-	16,646.00
12/01/2004	16,646.00	-	16,646.00
3/01/2005	16,646.00	-	16,646.00
6/01/2005	16,646.00	-	16,646.00
9/01/2005	16,646.00	-	16,646.00
12/01/2005	16,646.00	-	16,646.00
3/01/2006	16,646.00	-	16,646.00
6/01/2006	16,646.00	-	16,646.00
9/01/2006	16,646.00	-	16,646.00
12/01/2006	16,646.00	-	16,646.00
3/01/2007	16,646.00	-	16,646.00
6/01/2007	16,646.00	-	16,646.00
9/01/2007	16,646.00	-	16,646.00
12/01/2007	16,646.00	-	16,646.00
3/01/2008	16,646.00	-	16,646.00
6/01/2008	16,646.00	-	16,646.00
9/01/2008	16,646.00	-	16,646.00
12/01/2008	16,646.00	-	16,646.00
3/01/2009	16,646.00	-	16,646.00
6/01/2009	16,646.00	-	16,646.00
9/01/2009	16,646.00	-	16,646.00
12/01/2009	16,646.00	-	16,646.00
3/01/2010	16,646.00	-	16,646.00
6/01/2010	16,646.00	-	16,646.00
9/01/2010	16,646.00	-	16,646.00
12/01/2010	16,646.00	-	16,646.00
3/01/2011	16,646.00	-	16,646.00
6/01/2011	16,646.00	-	16,646.00
9/01/2011	16,646.00	-	16,646.00
12/01/2011	16,646.00	-	16,646.00

**City of Cameron (West Virginia)**

*Loan of \$2,530,188*

*40 Years, 0% Interest Rate*

*Closing Date: July 13, 2000*

**DEBT SERVICE SCHEDULE**

Date	Principal	Coupon	Total P+I
3/01/2012	16,646.00	-	16,646.00
6/01/2012	16,646.00	-	16,646.00
9/01/2012	16,646.00	-	16,646.00
12/01/2012	16,646.00	-	16,646.00
3/01/2013	16,646.00	-	16,646.00
6/01/2013	16,646.00	-	16,646.00
9/01/2013	16,646.00	-	16,646.00
12/01/2013	16,646.00	-	16,646.00
3/01/2014	16,646.00	-	16,646.00
6/01/2014	16,646.00	-	16,646.00
9/01/2014	16,646.00	-	16,646.00
12/01/2014	16,646.00	-	16,646.00
3/01/2015	16,646.00	-	16,646.00
6/01/2015	16,646.00	-	16,646.00
9/01/2015	16,646.00	-	16,646.00
12/01/2015	16,646.00	-	16,646.00
3/01/2016	16,646.00	-	16,646.00
6/01/2016	16,646.00	-	16,646.00
9/01/2016	16,646.00	-	16,646.00
12/01/2016	16,646.00	-	16,646.00
3/01/2017	16,646.00	-	16,646.00
6/01/2017	16,646.00	-	16,646.00
9/01/2017	16,646.00	-	16,646.00
12/01/2017	16,646.00	-	16,646.00
3/01/2018	16,646.00	-	16,646.00
6/01/2018	16,646.00	-	16,646.00
9/01/2018	16,646.00	-	16,646.00
12/01/2018	16,646.00	-	16,646.00
3/01/2019	16,646.00	-	16,646.00
6/01/2019	16,646.00	-	16,646.00
9/01/2019	16,646.00	-	16,646.00
12/01/2019	16,646.00	-	16,646.00
3/01/2020	16,646.00	-	16,646.00
6/01/2020	16,646.00	-	16,646.00
9/01/2020	16,646.00	-	16,646.00
12/01/2020	16,646.00	-	16,646.00
3/01/2021	16,646.00	-	16,646.00
6/01/2021	16,646.00	-	16,646.00
9/01/2021	16,646.00	-	16,646.00
12/01/2021	16,646.00	-	16,646.00
3/01/2022	16,646.00	-	16,646.00
6/01/2022	16,646.00	-	16,646.00
9/01/2022	16,646.00	-	16,646.00
12/01/2022	16,646.00	-	16,646.00
3/01/2023	16,646.00	-	16,646.00
6/01/2023	16,646.00	-	16,646.00

**City of Cameron (West Virginia)**

*Loan of \$2,530,188*

*40 Years, 0% Interest Rate*

*Closing Date: July 13, 2000*

**DEBT SERVICE SCHEDULE**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Total P+I</b>
9/01/2023	16,646.00	-	16,646.00
12/01/2023	16,646.00	-	16,646.00
3/01/2024	16,646.00	-	16,646.00
6/01/2024	16,646.00	-	16,646.00
9/01/2024	16,646.00	-	16,646.00
12/01/2024	16,646.00	-	16,646.00
3/01/2025	16,646.00	-	16,646.00
6/01/2025	16,646.00	-	16,646.00
9/01/2025	16,646.00	-	16,646.00
12/01/2025	16,646.00	-	16,646.00
3/01/2026	16,646.00	-	16,646.00
6/01/2026	16,646.00	-	16,646.00
9/01/2026	16,646.00	-	16,646.00
12/01/2026	16,646.00	-	16,646.00
3/01/2027	16,646.00	-	16,646.00
6/01/2027	16,646.00	-	16,646.00
9/01/2027	16,646.00	-	16,646.00
12/01/2027	16,646.00	-	16,646.00
3/01/2028	16,646.00	-	16,646.00
6/01/2028	16,646.00	-	16,646.00
9/01/2028	16,646.00	-	16,646.00
12/01/2028	16,646.00	-	16,646.00
3/01/2029	16,646.00	-	16,646.00
6/01/2029	16,646.00	-	16,646.00
9/01/2029	16,646.00	-	16,646.00
12/01/2029	16,646.00	-	16,646.00
3/01/2030	16,646.00	-	16,646.00
6/01/2030	16,646.00	-	16,646.00
9/01/2030	16,646.00	-	16,646.00
12/01/2030	16,646.00	-	16,646.00
3/01/2031	16,646.00	-	16,646.00
6/01/2031	16,646.00	-	16,646.00
9/01/2031	16,646.00	-	16,646.00
12/01/2031	16,646.00	-	16,646.00
3/01/2032	16,646.00	-	16,646.00
6/01/2032	16,646.00	-	16,646.00
9/01/2032	16,646.00	-	16,646.00
12/01/2032	16,646.00	-	16,646.00
3/01/2033	16,646.00	-	16,646.00
6/01/2033	16,646.00	-	16,646.00
9/01/2033	16,646.00	-	16,646.00
12/01/2033	16,646.00	-	16,646.00
3/01/2034	16,646.00	-	16,646.00
6/01/2034	16,646.00	-	16,646.00
9/01/2034	16,646.00	-	16,646.00
12/01/2034	16,646.00	-	16,646.00

**City of Cameron (West Virginia)**

*Loan of \$2,530,188*

*40 Years, 0% Interest Rate*

*Closing Date: July 13, 2000*

**DEBT SERVICE SCHEDULE**

Date	Principal	Coupon	Total P+I
3/01/2035	16,646.00	-	16,646.00
6/01/2035	16,646.00	-	16,646.00
9/01/2035	16,646.00	-	16,646.00
12/01/2035	16,646.00	-	16,646.00
3/01/2036	16,646.00	-	16,646.00
6/01/2036	16,646.00	-	16,646.00
9/01/2036	16,646.00	-	16,646.00
12/01/2036	16,646.00	-	16,646.00
3/01/2037	16,646.00	-	16,646.00
6/01/2037	16,646.00	-	16,646.00
9/01/2037	16,646.00	-	16,646.00
12/01/2037	16,646.00	-	16,646.00
3/01/2038	16,646.00	-	16,646.00
6/01/2038	16,646.00	-	16,646.00
9/01/2038	16,646.00	-	16,646.00
12/01/2038	16,646.00	-	16,646.00
3/01/2039	16,646.00	-	16,646.00
6/01/2039	16,646.00	-	16,646.00
9/01/2039	16,645.00	-	16,645.00
12/01/2039	16,645.00	-	16,645.00
3/01/2040	16,645.00	-	16,645.00
6/01/2040	16,645.00	-	16,645.00
<b>Total</b>	<b>2,530,188.00</b>	<b>-</b>	<b>2,530,188.00</b>

**YIELD STATISTICS**

Bond Year Dollars.....	\$53,154.96
Average Life.....	21.008 Years
Average Coupon.....	-
Net Interest Cost (NIC).....	-
True Interest Cost (TIC).....	1.64E-10
Bond Yield for Arbitrage Purposes.....	1.64E-10
All Inclusive Cost (AIC).....	1.64E-10

**IRS FORM 8038**

Net Interest Cost.....	-
Weighted Average Maturity.....	21.008 Years

Ferris, Baker Watts, Incorporated  
Public Finance

File = ifcameron.sf-06 29 00- SINGLE PURPOSE  
6/29/2000 9:29 AM

SCHEDULE Z

None.

PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON

Entered: September 24, 1999

FINAL

10-14-99

CASE NO. 99-0617-S-CN

CITY OF CAMERON SANITARY BOARD  
a municipal corporation.

Application for a certificate of convenience and necessity to construct and operate a wastewater treatment collection system, including the construction of a sewage treatment plant and the replacement, repair, and/or extension of interceptor and collection lines, and for approval of funding therefor.

RECOMMENDED DECISION

On May 6, 1999, the City of Cameron Sanitary Board (City), by counsel James D. Gray, filed with the Public Service Commission (Commission), pursuant to W.Va. Code §24-2-11, an application for a certificate of convenience and necessity to construct and operate a wastewater treatment collection system, including the construction of a sewage treatment plant and the replacement, repair, and/or extension of interceptor and collection lines, and for approval of funding therefor. Attached was a Rule 42 Exhibit and other documents.

On May 7, 1999, the Commission directed the Company to publish a Notice of Filing, which provided that, if no protest was filed within thirty days after the date of publication, the Commission might waive formal hearing and grant the application based upon its review of the evidence submitted with the application.

On June 1, 1999, the City, by counsel, filed an affidavit establishing that the notice had been published on May 14, 1999, in the Moundsville Daily Echo, published in Marshall County.

On June 4, 1999, Staff Attorney C. Terry Owen filed an Initial Joint Staff Memorandum, with attached memorandum from William A. Nelson, Utilities Analyst, Water and Wastewater Division, and Audra L. Blackwell, Technical Analyst, Engineering Division. Mr. Owen stated that the City

presently serves 498 residential customers, 54 commercial customers and seven industrial customers, and that the City's system is inadequate to meet the needs of its customers or to provide for future growth. The system discharges sewage into streams, and storm water heavily infiltrates the collection system. The estimated project cost is \$6,768,688, of which more than half would be provided through grants. Mr. Owen stated that the City had provided most of the information Staff needed for its review and that Staff would file its final recommendation upon completion of that review.

On June 11, 1999, the City, by counsel, filed further information, including a copy of the rate ordinance it had enacted on June 7, 1999.

On June 14, 1999, the Commission, by Order, referred this matter to the Division of Administrative Law Judges (ALJ Division) for decision on or before November 8, 1999.

On July 6, 1999, the undersigned ALJ issued a Procedural Order that noted that, since no protest had been filed in response to the publication of the Notice of Filing, hearing would be necessary only if conflict arose between Commission Staff and the City. Moreover, since this matter clearly warranted expedition, Staff was required to file its final recommendation no later than August 6, 1999.

On August 6, 1999, Mr. Owen filed a Final Joint Staff Memorandum, with attached memorandum from Mr. Nelson and Ms. Blackwell. Staff specified the component costs of the total project cost of \$6,768,688, including the construction cost of \$5,729,632. Staff stated that the funding would be as follows: a West Virginia Infrastructure and Jobs Development Council (WVIJDC) grant of \$2,530,094, and loan of \$2,530,094; a Small Cities block grant of \$1,250,000; and a State Revolving Fund (SRF) loan of \$450,000; as well \$8,500 of the City's funds. The WVIJDC loan would be payable over forty years at 0% interest. While the SRF loan also would be free of interest, it would be payable over a twenty-year period with a 1% administrative fee. The annual debt service on the two loans would be, respectively, \$22,500 and \$2,278, but the operation and maintenance expenses are expected to decrease by approximately \$16,756 as a result of the project. The City has passed an ordinance increasing its rates by 27.9%, effective January 1, 2000. The debt coverage ratio of 119.90% would be appropriate. Ms. Blackwell stated that, while she had received a letter from the Division of Environmental Protection that (DEP) had completed its review of the plans and specifications for the project, DEP had not issued any permit for the project. Ms. Blackwell stated that, since the project would serve 625 customers when completed, the cost per customer would be \$10,830, which, while moderately high, is not excessive. Staff recommended approval of the financing, but a final recommendation regarding the plans and specifications could not be given, since further information was needed from Lennon, Smith, Souleret Engineering, Inc.

On August 30, 1999, Mr. Owen filed a Second Final Joint Staff Memorandum, with attached memorandum from Ms. Blackwell. Ms. Blackwell stated that Staff had received further documents from the engineering firm, which established that the customer density would be 65 customers per

mile, which she stated was very acceptable. She described with some detail the project,<sup>1</sup> and concluded, "The project shows necessity because it is vital to provide adequate and environmentally acceptable sewage treatment facilities to correct the deficiencies in the existing interceptor and collection system and to prevent the inflow of storm water and the discharge of untreated or inadequately treated sewage." She further stated that the project would eliminate threats to health and improve the living conditions of the residents. Staff recommended that the project be approved, contingent upon the City's obtaining the outstanding NPDES permit from DEP.

On September 20, 1999, Mr. Owen filed a Third Final Joint Staff Memorandum, with attached memorandum from Mr. Nelson and Ms. Blackwell. Technical Staff explained that funding for the project had not been finalized at the time of Staff's prior filing. The City had revised the total project cost to \$6,560,188, the amount of the committed funding. The commitment letters for all funding, which were attached, showed that the WVIJDC grant was \$2,330,000, not \$2,530,094; the loan was for \$2,530,188. The remaining funding discussed in Staff's prior filing was unmodified.

### FINDINGS OF FACT

1. On May 6, 1999, the City of Cameron Sanitary Board filed with the Commission an application for a certificate of convenience and necessity to construct and operate a wastewater treatment collection system, including the construction of a sewage treatment plant and the replacement, repair, and/or extension of interceptor and collection lines, and for approval of funding therefor. Attached was a Rule 42 Exhibit and other documents. (See application).

2. The Notice of Filing was published on May 14, 1999, in the Moundsville Daily Echo, published in Marshall County, and no protest was filed. (See affidavit of publication filed June 1, 1999; case file generally).

3. The present system discharges sewage into streams, and storm water heavily infiltrates the collection system. (See Initial Joint Staff Memorandum filed June 4, 1999).

4. The present system serves 498 residential customers, 54 commercial customers and seven industrial customers. With completion of the project, 625 customers will be served. The

---

<sup>1</sup>Ms. Blackwell stated,

The proposed wastewater treatment process will include installation of approximately 4,700 LF of 15-inch, 270 LF of 14-inch, 18,300 LF of 8-inch, 17,770 LF of 6-inch sanitary sewer line; 160 LF of 1.75-inch, 4,500 LF of 1.5-inch, 640 LF of 1.25-inch of force main; a new gravity interceptor sewer; replacing the influent metering; submersible raw sewage pumping; preliminary treatment consisting of bypass bar screen and grit removal; the advanced secondary treatment consist[ing] of two 82,895-gallon sequential batch reactors; ultraviolet disinfection; diffused post aeration; discharge to Grave Creek via 12-inch outfall sewer; one 34-gallon digester; one 30,518-gallon digester; sludge removal including sludge pump; polymer unit and twelve-bag dewatering unit; and related piping and appurtenances.

customer density would be 65 customers per mile, which Staff opined to be very acceptable. (See Initial Joint Staff Memorandum filed June 4, 1999; Final Joint Staff Memorandum filed August 6, 1999).

5. The total project cost is estimated at \$6,560,188, including the construction cost of \$5,521,132. (See Final Joint Staff Memorandum filed September 20, 1999).

6. The funding will be as follows and commitment letters for all funding have been filed: a West Virginia Infrastructure and Jobs Development Council grant of \$2,330,000, and loan of \$2,530,188; a Small Cities block grant of \$1,250,000; and a State Revolving Fund loan of \$450,000. The WVIJDC loan will be payable over forty years at 0% interest. While the SRF loan also is free of interest, it is payable over twenty years with a 1% administrative fee. The approximate annual debt service on the two loans will be, respectively, \$22,500 and \$2,278. (See Final Joint Staff Memorandum filed August 6, 1999; Third Final Joint Staff Memorandum filed September 20, 1999).

7. The City passed a rate ordinance, which fulfills all legal requirements and will become effective January 1, 2000. The ordinance will raise rates by 27.9%. (See June 11, 1999 filing; Final Joint Staff Memorandum filed August 6, 1999).

8. The operations and maintenance expenses are expected to decrease by approximately \$16,756 as a result of the project. (See Final Joint Staff Memorandum filed August 6, 1999).

9. The cost per customer will be \$10,830, which Staff found to be moderately high, but not excessive. (See Final Joint Staff Memorandum filed August 6, 1999).

10. Staff opined that the project shows necessity because it is vital to provide adequate and environmentally acceptable sewage treatment facilities to correct the deficiencies in the existing interceptor and collection system and to prevent the inflow of storm water and the discharge of untreated or inadequately treated sewage. Staff further opined that the project would eliminate threats to health and improve the living conditions of the residents. (See Further Final Joint Staff Memorandum filed August 30, 1999).

11. The Town's NPDES permit has not been received. (See Further Final Joint Staff Memorandum filed August 30, 1999).

12. Staff recommended that the funding be approved and that the project be approved, contingent upon the City's obtaining the outstanding NPDES permit from DEP. (See Final Joint Staff Memorandum filed August 6, 1999; Further Final Joint Staff Memorandum filed August 30, 1999).

## CONCLUSION OF LAW

Because the project is needed; no protest to the application has been filed; and Commission Staff recommended that the application be granted, contingent upon receipt of a NPDES permit, and that the funding be approved, it is appropriate to grant the application and to approve the project, with the stated contingency, and its funding.

## ORDER

IT IS, THEREFORE, ORDERED that the application for a certificate of convenience and necessity filed on May 6, 1999, by the City of Cameron to construct and operate a wastewater treatment collection system, be granted and the project be approved, contingent upon issuance of the required NPDES permit by the West Virginia Division of Environmental Protection. Construction may not commence until the NPDES permit is issued.

IT IS FURTHER ORDERED that, immediately upon receipt of said NPDES permit, the City of Cameron file a copy of said permit with the Commission.

IT IS FURTHER ORDERED that the funding for the project, a West Virginia Infrastructure and Jobs Development Council grant of \$2,330,000, and loan of \$2,530,188, payable over forty years at 0% interest; a Small Cities block grant of \$1,250,000; and a State Revolving Fund loan of \$450,000, payable over twenty years at 0% interest, with a 1% administrative fee, be approved.

IT IS FURTHER ORDERED that, if there is any change in any of the terms, conditions, scheduling, or financing of the project, estimated at \$6,560,188, the City of Cameron notify the Public Service Commission and file for Commission approval of any such revision.

IT IS FURTHER ORDERED that this matter be removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this order upon Commission Staff by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary 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 Executive Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.



Sunya Anderson  
Administrative Law Judge

SA:s  
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990617com071000.wpd

**PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON**

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 10th day of July, 2000.

CASE NO. 99-0617-S-CN

**CITY OF CAMERON SANITARY BOARD**  
a municipal corporation.

Application for a certificate of convenience and necessity to construct and operate a wastewater treatment collection system, including the construction of a sewage treatment plant and the replacement, repair, and/or extension of interceptor and collection lines, and for approval of funding therefor.

**COMMISSION ORDER**

On May 6, 1999, the City of Cameron Sanitary Board (City), filed with the Public Service Commission (Commission), pursuant to W. Va. Code §24-2-11, an application for a certificate of convenience and necessity to construct and operate a wastewater treatment collection system, including the construction of a sewage treatment plant and the replacement, repair, and/or extension of interceptor and collection lines, and for approval of funding therefor.

By Recommended Decision entered September 24, 1999, which became a final order of the Commission on October 14, 1999, the City's certificate application was granted and the City's related funding was also approved.

On June 23, 2000, the City filed a petition to reopen this proceeding for approval of revised project costs and financing. The petition stated that the project bids exceeded estimates by approximately \$984,000. The City stated that it had negotiated with the low bidder, however, who agreed to hold the bid price open until July 18, 2000, and to reduce the project costs by \$327,000, resulting in a shortfall of only \$657,000. The revised total project costs are now approximately \$7,217,156.

The City proposes to fund the \$657,000 shortfall through: (1) an additional grant from the West Virginia Infrastructure and Jobs Development Council (WVIJDC) in the amount of \$535,000, and (2) a City contribution in the amount of \$122,086. The City's contribution will be funded from sewer revenues received during construction of the project prior to the commencement of the City's debt service obligations relating to the project, and from other available funds if necessary.

On July 6, 2000, Commission Staff (Staff) filed an Initial and Final Joint Staff Memorandum regarding the City's June 23, 2000, petition, and, on July 10, 2000, Legal Staff filed an Erratum correcting a factual misstatement contained in the July 6, 2000, memorandum. Staff noted that the City has filed a revised WVIJDC binding commitment letter regarding the \$535,000 grant, and that both the WVIJDC and the West Virginia Division of Environmental Protection have approved the revised project. Staff further noted that the increased project costs will not impact rates. Finally, Staff recommended that the Commission expeditiously grant the City's petition in order to meet the City's scheduled bond closing on July 13, 2000.

Upon review, the Commission finds it appropriate to grant the City's petition to reopen this proceeding and to approve revised project costs of approximately \$7,217,156 and additional project funding including: (1) an additional grant from the WVIJDC in the amount of \$535,000, and (2) a City contribution in the amount of \$122,086.

### FINDINGS OF FACT

1. On June 23, 2000, the City filed a petition to reopen this proceeding for approval of revised project costs and funding. The petition stated that the project bids exceeded estimates by approximately \$984,000.
2. The City stated that it had negotiated with the low bidder, however, who agreed to hold the bid price open until July 18, 2000, and to reduce the project costs by \$327,000, resulting in a shortfall of only \$657,000.
3. The revised total project costs are now approximately \$7,217,156.
4. The City proposes to fund the \$657,000 shortfall through: (1) an additional grant from the WVIJDC in the amount of \$535,000, and (2) a City contribution in the amount of \$122,086.
5. The City's contribution will be funded from sewer revenues received during construction of the project prior to the commencement of the City's debt service obligations relating to the project, and from other available funds if necessary.

6. The City has filed a revised WVIJDC binding commitment letter regarding the \$535,000 grant.

7. Staff has advised that both the WVIJDC and the West Virginia Division of Environmental Protection have approved the revised project.

8. The increased project costs will not impact rates.

9. Staff recommends that the Commission expeditiously grant the City's petition in order to meet the City's scheduled bond closing on July 13, 2000.

### CONCLUSION OF LAW

It is appropriate to grant the City's petition to reopen this proceeding and to approve revised project costs of approximately \$7,217,156, and additional project funding including: (1) an additional grant from the West Virginia Infrastructure and Jobs Development Council (WVIJDC) in the amount of \$535,000, and (2) a City contribution in the amount of \$122,086.

### ORDER

IT IS THEREFORE ORDERED that the City's petition, filed June 23, 2000, to reopen this proceeding for approval of revised project costs and funding is hereby granted.

IT IS FURTHER ORDERED that the revised total project costs of approximately \$7,217,156 and additional project funding including: (1) an additional grant from the WVIJDC in the amount of \$535,000, and (2) a City contribution in the amount of \$122,086, are hereby approved.

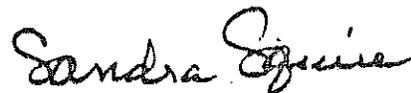
IT IS FURTHER ORDERED that, if there is any change in any of the terms, conditions, scheduling, or financing of the project, estimated at \$7,217,156, the City of Cameron shall notify the Public Service Commission and file for Commission approval of any such revision.

IT IS FURTHER ORDERED that this matter be removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this order upon Commission Staff by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested, and fax a copy of this order to John Stump, Esquire, bond counsel to the City of Cameron, at 353-8180.

ARC  
JML/chd  
990617ca.wpd

A True Copy, Teste:



Sandra Squire  
Executive Secretary





# West Virginia Infrastructure & Jobs Development Council

Public Members:

James D. Williams, Chairman  
St. Albans

James L. Harrison, Sr., Vice Chairman  
Princeton

Lloyd P. Adams, P.E.  
Wheeling

Sheirl L. Fletcher  
Morgantown

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

Susan J. Riggs, Esquire  
Executive Secretary

February 5, 1999

The Honorable Thomas Stern  
Mayor, City of Cameron  
44 Main Street  
Cameron, WV 26033

Re: Binding Commitment Letter  
Wastewater Treatment and Collection System Project 96S-243

Dear Mayor Stern:

The West Virginia Infrastructure and Jobs Development Council (the "Council") provides this binding offer of an Infrastructure Fund loan of approximately \$2,530,188, and an Infrastructure Fund grant of \$2,330,000 (collectively referred to as the "Funding Assistance") for the City of Cameron's (the "City") proposed project to replace the existing wastewater treatment plant and replace and rehabilitate the existing collection system (the "Project"). The source of funds for the Funding Assistance will be a portion of the proceeds from an anticipated Infrastructure General Obligation Bond issue and this Funding Assistance commitment is contingent upon the availability of those proceeds in the Infrastructure Fund. The Funding Assistance will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Funding Assistance amount will be established after the City has received acceptable bids for the Project. The Council will set aside a portion of the next bond proceeds to be deposited in the Infrastructure Fund to make this Funding Assistance upon the City's compliance with the program requirements. The Funding Assistance agreements will be between the City and the West Virginia Water Development Authority (the "Authority"), who is the administrator of the Infrastructure Fund, acting on behalf of the Council.

This Funding Assistance commitment is also contingent upon the City meeting the following schedule:

- a. Submit an application for a certificate of convenience and necessity to the Public Service Commission no later than May 14, 1999.
- b. Adopt a rate ordinance no later than June 7, 1999.
- c. Advertise for construction bids no later than September 14, 1999.
- d. Close the Funding Assistance no later than January 13, 2000.

The Honorable Thomas Stern  
February 5, 1999  
Page 2

The Council reserves the right to withdraw this Funding Assistance commitment if any of the above schedule dates are not met. The Council may, when justifiable circumstances occur, offer to modify the schedule. Any decision to modify the schedule is at the sole discretion of the Council.

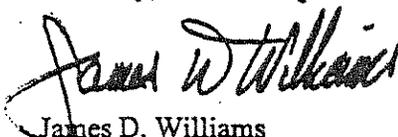
If the City becomes aware that it will not meet one or more of the above schedule dates, the City should immediately notify the Council of this fact and the circumstances which have caused or will cause the City to be unable to meet the schedule. In addition, please immediately notify the Council if any of the other dates on the attached schedule have not or will not be met.

The Authority will enter into Funding Assistance agreements with the City following receipt of a final, nonappealable order from the Public Service Commission authorizing construction of the Project, approving rates, and approving the Project funding; evidence of binding commitments for other funding; evidence of all permits; evidence of acceptable bids; requisite bond-related documents and opinions in a form and substance satisfactory to the Authority and the Council; and any other documents requested by the Council. Following execution of the Funding Assistance agreements, the Council will establish a closing date.

No statements or representations made before or after the issuance of this contingent Funding Assistance commitment by any person, member of the Council, or agent or employee of the Authority shall be construed as approval to alter or amend this Funding Assistance commitment, as all such amendments or alterations shall only be made in writing after approval of the Council.

If the City has any questions regarding this Funding Assistance commitment, please contact Susan J. Riggs at the above-referenced telephone number.

Sincerely,

  
James D. Williams

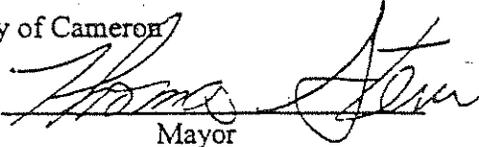
JDW/tb

Attachment

cc: Debbie Legg  
Mike Johnson, P.E.  
Daniel S. Gilligan  
Vincent A. Collins, Esquire  
Don Calinger

NOTE: This letter is sent in triplicate. Please acknowledge receipt on two copies and immediately return one to the Council at the above address, and one to the Authority at 180 Association Drive, Charleston, WV 25311-1571.

City of Cameron

By:   
Mayor

Date: 2/18/99

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

City of Cameron  
Wastewater System Project  
96S-243  
February 5, 1999

SCHEDULE A

A. Approximate Amount: \$2,530,188 - Loan  
\$2,330,000 - Grant

B. Loan:

1. Maturity Date: 40 years from date of loan closing
2. Interest Rate: 0%
3. Loan Advancement Date(s): Monthly, upon receipt of proper requisition, and after complete advancement of all other funding except for the Infrastructure Fund grant.
4. Debt Service Commencement Date: The first quarter following completion of construction, which date must be identified prior to closing.
5. Special Conditions: None.

C. Grant:

1. Grant Advancement Date(s): Monthly, upon receipt of proper requisition, and after complete advancement of all other funding.
2. Special Conditions (if any): None.

NOTICE: The terms set forth above are subject to change following the Governmental Agency's receipt of construction bids.

D. Other Funding Sources:

- |                                       |                             |
|---------------------------------------|-----------------------------|
| 1. State Revolving Fund Loan - Design | 2. Small Cities Block Grant |
| Amount: \$450,000                     | Amount: \$1,250,000         |
| Interest Rate: 1%                     |                             |
| Maturity Date: 20 years               |                             |

E. Proposed User Rates:

Average: \$28.00/4500 gallons



Office of Water Resources  
617 Broad Street  
Charleston, WV 25301-1251  
Telephone Number (304) 558-0641  
Fax Number (304) 558-3778



## West Virginia Division of Environmental Protection

Earl H. Underwood  
Governor

Michael C. Castle  
Director

### MEMORANDUM

TO: Bill Nelson, Sr. Utility Analyst  
Public Service Commission  
304-340-3759 [fax]

FROM: Carrie L. Grimm, ERSII   
304-558-0637

DATE: August 31, 1999

SUBJECT: City of Cameron  
SRF No. C-544091

The Division of Environmental Protection entered into a loan agreement with the City of Cameron in September 1997. This State Revolving Fund loan was for \$450,000, to be repaid over a 20 year-period at 0% interest, plus a 1% administrative fee.

# West Virginia Infrastructure & Jobs Development Council

**Public Members:**

James D. Williams, Chairman  
St. Albans  
William J. Harman, PE, Vice Chairman  
Grafton  
Dwight Calhoun  
Petersburg  
Tim Rutledge  
Gilbert

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

Katy Mallory, PE  
Executive Secretary

KMallory@citynet.net

May 3, 2000

The Honorable Thomas Stern  
Mayor, City of Cameron  
44 Main Street  
Cameron, West Virginia 26033

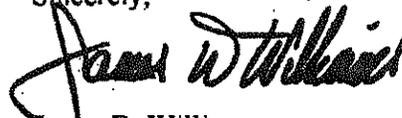
Re: Binding Commitment Letter  
Revised after bids  
Wastewater System Project 96S-243

Dear Mayor Stern:

The West Virginia Infrastructure and Jobs Development Council (the "Council") has reviewed the City of Cameron's (the "City") request for revision to the Council's binding commitment letter of February 5, 1999 to the City for financing its wastewater project. At its May 3, 2000 meeting, the Council voted to revise the binding commitment with an additional Infrastructure Fund grant not to exceed \$535,000 and recommended that the City utilize a B&O tax contribution of \$128,000 to cover project cost overruns. All other conditions of that June 4, 1999 binding commitment remain in effect. A revised Schedule A is enclosed.

If the City has any questions regarding this commitment, please contact Katy Mallory at (304) 558-4607.

Sincerely,



James D. Williams

JDW/km  
Attachments

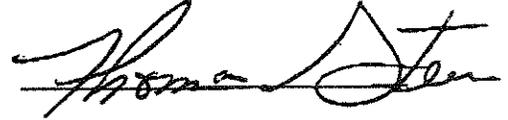
cc: Mike Johnson, DEP  
Debbie Legg, WVDO  
Daniel S. Gilligan  
John Stump, Esquire

**NOTE:**

This letter is sent in triplicate. Please acknowledge receipt on two copies and immediately return two copies to this office.

\_\_\_\_\_  
City of Cameron

By:



Its:

Moya

Date:

5/10/06



# West Virginia Infrastructure & Jobs Development Council

**Public Members:**

James D. Williams, Chairman  
St. Albans  
William J. Harman, PE, Vice Chairman  
Martinsburg  
Dwight Calhoun  
Petersburg  
Tim Rutledge  
Gilbert

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

Katy Mallory, PE  
Executive Secretary

KMallory@citynet.net

July 11, 2000

The Honorable Thomas Stern  
Mayor, City of Cameron  
44 Main Street  
Cameron, West Virginia 26033

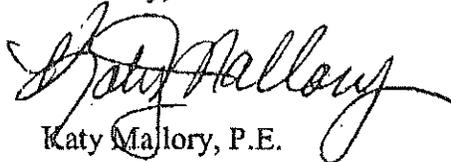
Re: Binding Commitment Letter- Revised  
Revised after bids  
Wastewater System Project 96S-243

Dear Mayor Stern:

Please find enclosed a revised Schedule A for the above referenced project. All other conditions of the West Virginia Infrastructure and Jobs Development Council's (the Council's) May 3, 2000 and February 5, 1999 binding commitment letters remain in effect.

If the City has any questions regarding this commitment, please contact me at (304) 558-4607.

Sincerely,



Katy Mallory, P.E.

**Attachments**

cc: Mike Johnson, DEP  
Debbie Legg, WVDO  
Daniel S. Gilligan  
John Stump, Esquire





CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BOND AND BOND PROCEEDS

On the 13th day of July, 2000, 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 City of Cameron (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 13th day of July, 2000, the Authority received the entire original issue of \$2,530,188 principal amount of the Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds"), issued as a single, fully registered Bond, numbered AR-1, and dated July 13, 2000.

2. At the time of such receipt, the Series 2000 A Bonds had been executed by the Mayor and the City Clerk of the Issuer by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2000 A Bonds, of \$42,765, being a portion of the principal amount of the Series 2000 A Bonds. The balance of the principal amount of the 2000 A Bonds will be advanced by the Authority and the West Virginia Infrastructure and Jobs Development Council to the Issuer as acquisition and construction of the Project progresses.

Dated as of the day and year first written above.

WEST VIRGINIA WATER  
DEVELOPMENT AUTHORITY

  
\_\_\_\_\_  
Authorized Representative

CITY OF CAMERON

  
\_\_\_\_\_  
Mayor

07/12/00  
123610.99001



CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

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

Ladies and Gentlemen:

There are delivered to you herewith on this 13th day of July, 2000:

- (1) Bond No. AR-1, constituting the entire original issue of the City of Cameron Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), in the principal amount of \$2,530,188 dated July 13, 2000 (the "Bonds"), executed by the Mayor and the City Clerk of the City of Cameron (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 June 19, 2000, and a Supplemental Resolution duly adopted by the Issuer on July 10, 2000 (collectively, the "Bond Legislation");
- (2) A copy of the Bond Legislation authorizing the above-described Bonds, duly certified by the City Clerk of the Issuer;
- (3) Executed loan agreement for the Series 2000 A Bonds, dated July 5, 2000, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), for and on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Loan Agreement"); and
- (4) Executed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Series 2000 A Bonds to the Authority upon payment to the Issuer of the sum of \$42,765, representing a portion of the principal amount of the Series 2000 A Bonds. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated as of the day and year first above written.

CITY OF CAMERON

  
\_\_\_\_\_  
Mayor

07/12/00  
123610.99001



# SPECIMEN

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
CITY OF CAMERON  
SEWER REVENUE BOND, SERIES 2000 A  
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1

\$2,530,188

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CAMERON, a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of TWO MILLION FIVE HUNDRED THIRTY THOUSAND ONE HUNDRED EIGHTY-EIGHT DOLLARS (\$2,530,188), 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, 2002, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated July 5, 2000.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as

amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on June 19, 2000, and a Supplemental Resolution duly adopted by the Issuer on July 10, 2000 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 13, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$450,000 (THE "SERIES 1997 A BONDS" OR THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the System, on a parity with the pledge of Net Revenues in favor of the holders of the Prior Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 2000 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 2000 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2000 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

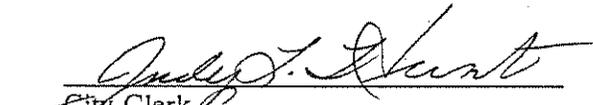
All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, the CITY OF CAMERON has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated July 13, 2000.

[SEAL]

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 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: July 13, 2000.

ONE VALLEY BANK,  
NATIONAL ASSOCIATION, -  
as Registrar

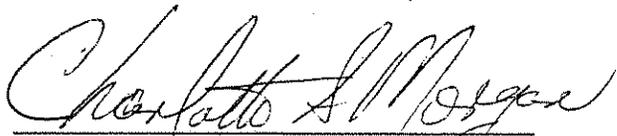
  
\_\_\_\_\_  
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$42,765	7/13/00	(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**

**City of Cameron (West Virginia)**

*Loan of \$2,530,188*

*40 Years, 0% Interest Rate*

*Closing Date: July 13, 2000*

**DEBT SERVICE SCHEDULE**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Total P+I</b>
9/01/2000	-	-	-
12/01/2000	-	-	-
3/01/2001	-	-	-
6/01/2001	-	-	-
9/01/2001	-	-	-
12/01/2001	-	-	-
3/01/2002	-	-	-
6/01/2002	-	-	-
9/01/2002	16,646.00	-	16,646.00
12/01/2002	16,646.00	-	16,646.00
3/01/2003	16,646.00	-	16,646.00
6/01/2003	16,646.00	-	16,646.00
9/01/2003	16,646.00	-	16,646.00
12/01/2003	16,646.00	-	16,646.00
3/01/2004	16,646.00	-	16,646.00
6/01/2004	16,646.00	-	16,646.00
9/01/2004	16,646.00	-	16,646.00
12/01/2004	16,646.00	-	16,646.00
3/01/2005	16,646.00	-	16,646.00
6/01/2005	16,646.00	-	16,646.00
9/01/2005	16,646.00	-	16,646.00
12/01/2005	16,646.00	-	16,646.00
3/01/2006	16,646.00	-	16,646.00
6/01/2006	16,646.00	-	16,646.00
9/01/2006	16,646.00	-	16,646.00
12/01/2006	16,646.00	-	16,646.00
3/01/2007	16,646.00	-	16,646.00
6/01/2007	16,646.00	-	16,646.00
9/01/2007	16,646.00	-	16,646.00
12/01/2007	16,646.00	-	16,646.00
3/01/2008	16,646.00	-	16,646.00
6/01/2008	16,646.00	-	16,646.00
9/01/2008	16,646.00	-	16,646.00
12/01/2008	16,646.00	-	16,646.00
3/01/2009	16,646.00	-	16,646.00
6/01/2009	16,646.00	-	16,646.00
9/01/2009	16,646.00	-	16,646.00
12/01/2009	16,646.00	-	16,646.00
3/01/2010	16,646.00	-	16,646.00
6/01/2010	16,646.00	-	16,646.00
9/01/2010	16,646.00	-	16,646.00
12/01/2010	16,646.00	-	16,646.00
3/01/2011	16,646.00	-	16,646.00
6/01/2011	16,646.00	-	16,646.00
9/01/2011	16,646.00	-	16,646.00
12/01/2011	16,646.00	-	16,646.00

Ferris, Baker Watts, Incorporated  
Public Finance

File = ijc:ameron.sf-06 29 00- SINGLE PURPOSE

6/29/2000 9:29 AM

**City of Cameron (West Virginia)**

*Loan of \$2,530,188*

*40 Years, 0% Interest Rate*

*Closing Date: July 13, 2000*

**DEBT SERVICE SCHEDULE**

Date	Principal	Coupon	Total P+I
3/01/2012	16,646.00	-	16,646.00
6/01/2012	16,646.00	-	16,646.00
9/01/2012	16,646.00	-	16,646.00
12/01/2012	16,646.00	-	16,646.00
3/01/2013	16,646.00	-	16,646.00
6/01/2013	16,646.00	-	16,646.00
9/01/2013	16,646.00	-	16,646.00
12/01/2013	16,646.00	-	16,646.00
3/01/2014	16,646.00	-	16,646.00
6/01/2014	16,646.00	-	16,646.00
9/01/2014	16,646.00	-	16,646.00
12/01/2014	16,646.00	-	16,646.00
3/01/2015	16,646.00	-	16,646.00
6/01/2015	16,646.00	-	16,646.00
9/01/2015	16,646.00	-	16,646.00
12/01/2015	16,646.00	-	16,646.00
3/01/2016	16,646.00	-	16,646.00
6/01/2016	16,646.00	-	16,646.00
9/01/2016	16,646.00	-	16,646.00
12/01/2016	16,646.00	-	16,646.00
3/01/2017	16,646.00	-	16,646.00
6/01/2017	16,646.00	-	16,646.00
9/01/2017	16,646.00	-	16,646.00
12/01/2017	16,646.00	-	16,646.00
3/01/2018	16,646.00	-	16,646.00
6/01/2018	16,646.00	-	16,646.00
9/01/2018	16,646.00	-	16,646.00
12/01/2018	16,646.00	-	16,646.00
3/01/2019	16,646.00	-	16,646.00
6/01/2019	16,646.00	-	16,646.00
9/01/2019	16,646.00	-	16,646.00
12/01/2019	16,646.00	-	16,646.00
3/01/2020	16,646.00	-	16,646.00
6/01/2020	16,646.00	-	16,646.00
9/01/2020	16,646.00	-	16,646.00
12/01/2020	16,646.00	-	16,646.00
3/01/2021	16,646.00	-	16,646.00
6/01/2021	16,646.00	-	16,646.00
9/01/2021	16,646.00	-	16,646.00
12/01/2021	16,646.00	-	16,646.00
3/01/2022	16,646.00	-	16,646.00
6/01/2022	16,646.00	-	16,646.00
9/01/2022	16,646.00	-	16,646.00
12/01/2022	16,646.00	-	16,646.00
3/01/2023	16,646.00	-	16,646.00
6/01/2023	16,646.00	-	16,646.00

**City of Cameron (West Virginia)**

*Loan of \$2,530,188*

*40 Years, 0% Interest Rate*

*Closing Date: July 13, 2000*

**DEBT SERVICE SCHEDULE**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Total P+i</b>
9/01/2023	16,646.00	-	16,646.00
12/01/2023	16,646.00	-	16,646.00
3/01/2024	16,646.00	-	16,646.00
6/01/2024	16,646.00	-	16,646.00
9/01/2024	16,646.00	-	16,646.00
12/01/2024	16,646.00	-	16,646.00
3/01/2025	16,646.00	-	16,646.00
6/01/2025	16,646.00	-	16,646.00
9/01/2025	16,646.00	-	16,646.00
12/01/2025	16,646.00	-	16,646.00
3/01/2026	16,646.00	-	16,646.00
6/01/2026	16,646.00	-	16,646.00
9/01/2026	16,646.00	-	16,646.00
12/01/2026	16,646.00	-	16,646.00
3/01/2027	16,646.00	-	16,646.00
6/01/2027	16,646.00	-	16,646.00
9/01/2027	16,646.00	-	16,646.00
12/01/2027	16,646.00	-	16,646.00
3/01/2028	16,646.00	-	16,646.00
6/01/2028	16,646.00	-	16,646.00
9/01/2028	16,646.00	-	16,646.00
12/01/2028	16,646.00	-	16,646.00
3/01/2029	16,646.00	-	16,646.00
6/01/2029	16,646.00	-	16,646.00
9/01/2029	16,646.00	-	16,646.00
12/01/2029	16,646.00	-	16,646.00
3/01/2030	16,646.00	-	16,646.00
6/01/2030	16,646.00	-	16,646.00
9/01/2030	16,646.00	-	16,646.00
12/01/2030	16,646.00	-	16,646.00
3/01/2031	16,646.00	-	16,646.00
6/01/2031	16,646.00	-	16,646.00
9/01/2031	16,646.00	-	16,646.00
12/01/2031	16,646.00	-	16,646.00
3/01/2032	16,646.00	-	16,646.00
6/01/2032	16,646.00	-	16,646.00
9/01/2032	16,646.00	-	16,646.00
12/01/2032	16,646.00	-	16,646.00
3/01/2033	16,646.00	-	16,646.00
6/01/2033	16,646.00	-	16,646.00
9/01/2033	16,646.00	-	16,646.00
12/01/2033	16,646.00	-	16,646.00
3/01/2034	16,646.00	-	16,646.00
6/01/2034	16,646.00	-	16,646.00
9/01/2034	16,646.00	-	16,646.00
12/01/2034	16,646.00	-	16,646.00

**City of Cameron (West Virginia)**

*Loan of \$2,530,188*

*40 Years, 0% Interest Rate*

*Closing Date: July 13, 2000*

**DEBT SERVICE SCHEDULE**

Date	Principal	Coupon	Total P+I
3/01/2035	16,646.00	-	16,646.00
6/01/2035	16,646.00	-	16,646.00
9/01/2035	16,646.00	-	16,646.00
12/01/2035	16,646.00	-	16,646.00
3/01/2036	16,646.00	-	16,646.00
6/01/2036	16,646.00	-	16,646.00
9/01/2036	16,646.00	-	16,646.00
12/01/2036	16,646.00	-	16,646.00
3/01/2037	16,646.00	-	16,646.00
6/01/2037	16,646.00	-	16,646.00
9/01/2037	16,646.00	-	16,646.00
12/01/2037	16,646.00	-	16,646.00
3/01/2038	16,646.00	-	16,646.00
6/01/2038	16,646.00	-	16,646.00
9/01/2038	16,646.00	-	16,646.00
12/01/2038	16,646.00	-	16,646.00
3/01/2039	16,646.00	-	16,646.00
6/01/2039	16,646.00	-	16,646.00
9/01/2039	16,645.00	-	16,645.00
12/01/2039	16,645.00	-	16,645.00
3/01/2040	16,645.00	-	16,645.00
6/01/2040	16,645.00	-	16,645.00
<b>Total</b>	<b>2,530,188.00</b>	<b>-</b>	<b>2,530,188.00</b>

**YIELD STATISTICS**

Bond Year Dollars.....	\$53,154.96
Average Life.....	21.008 Years
Average Coupon.....	-
Net Interest Cost (NIC).....	-
True Interest Cost (TIC).....	1.64E-10
Bond Yield for Arbitrage Purposes.....	1.64E-10
All Inclusive Cost (AIC).....	1.64E-10

**IRS FORM 8038**

Net Interest Cost.....	-
Weighted Average Maturity.....	21.008 Years

(Form of)

ASSIGNMENT

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

Dated: \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

In the presence of:

\_\_\_\_\_

07/12/00  
123610/99001

# STEPPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SEVENTH FLOOR

P. O. BOX 1588

CHARLESTON, W. VA. 25326-1588

(304) 353-8000

FACSIMILE (304) 353-8180

BANK ONE CENTER, SIXTH FLOOR  
P. O. BOX 2190  
CLARKSBURG, W. VA. 26302-2190  
(304) 624-8000  
FACSIMILE (304) 624-8183

1000 HAMPTON CENTER  
P. O. BOX 1618  
MORGANTOWN, W. VA. 26507-1618  
(304) 598-8000  
FACSIMILE (304) 598-8116

126 EAST BURKE STREET  
P. O. BOX 2829  
MARTINSBURG, W. VA. 25402-2829  
(304) 263-6991  
FACSIMILE (304) 262-3541

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

THE RIVERS OFFICE PARK  
200 STAR AVENUE, SUITE 220  
P. O. BOX 828  
PARKERSBURG, W. VA. 26102-0828  
(304) 422-6463  
FACSIMILE (304) 422-6462

ALAN B. MOLLOHAN INNOVATION CENTER  
1000 TECHNOLOGY DRIVE  
P. O. BOX 2210  
FAIRMONT, W. VA. 26554-8824  
(304) 368-8000  
FACSIMILE (304) 368-8413

WRITER'S DIRECT DIAL NUMBER

July 13, 2000

City of Cameron  
Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

City of Cameron  
Cameron, West Virginia

West Virginia Water Development Authority  
Charleston, West Virginia

West Virginia Infrastructure and  
Jobs Development Council  
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Cameron (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its \$2,530,188 Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated July 5, 2000, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, with no interest, and with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2002, and ending June 1, 2040, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds.

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

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

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on June 19, 2000, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 10, 2000 (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 enact 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 Council and cannot be amended so as to affect adversely the rights of the Authority or the Council or diminish the obligations of the Issuer without the written consent of the Authority and the Council.

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Bond Legislation and secured by a first lien on and pledge of the Net Revenues of the System, on parity with respect to liens, pledge and source of and security for payment of Issuer's Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program), dated November 13, 1997, issued in the original aggregate principal amount of \$450,000, all in accordance with the terms of the Bonds and the Bond Legislation.

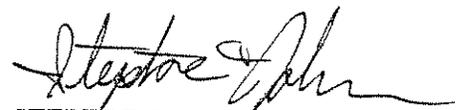
5. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

6. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from 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 in appropriate cases.

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

Very truly yours,



STEPTOE & JOHNSON

07/12/00  
123610.99001



1 Debtor(s) (Last Name First) and address(es)

2 Secured Party(ies) and address(es)

For Filing Office and Filing Office

City of Cameron  
44 Main Street  
Cameron, West Virginia 26033

West Virginia Water  
Development Authority  
180 Association Drive  
Charleston, West Virginia 25311

0543414  
CO. JUL 14 2007

4 This financing statement covers the following types (or items) of property:

- See Schedule I attached hereto and made a part hereof.

ASSIGNEE OF SECURED PARTY

Check  if covered:  Proceeds of Collateral are also covered  Products of Collateral are also covered No. of additional Sheets presented:

Filed with: Secretary of State of the State of West Virginia

City of Cameron

West Virginia Water Development Authority

By [Signature]  
Mayor Signature(s) of Debtor(s)

By [Signature]  
Director Signature(s) of Secured Party(ies)

4 FILE COPY - SECURED PARTY(IES)

**SCHEDULE I**  
**TO FINANCING STATEMENT**

All Net Revenues from the System; the System; all funds in the Revenue Fund, the Renewal and Replacement Fund, the Series 2000 A Bonds Construction Trust Fund, the Series 2000 A Bonds Sinking Fund; the Series 2000 A Bonds Reserve Account; and all funds therein deposited from time to time; and all proceeds of the foregoing.

For the purposes of this financing statement, these terms are defined as follows:

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

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinance and continued by the Bond Ordinance as described below.

"Revenue Fund" means the Revenue Fund created by the Prior Ordinance and continued by the Bond Ordinance as described below.

"Series 2000 A Bonds Construction Trust Fund" means the Series 2000 A Bonds Construction Trust Fund established by Section 5.01 of the Bond Ordinance as described below.

"Series 2000 A Bonds Reserve Account" means the Series 2000 A Bonds Reserve Account established by Section 5.02 of the Bond Ordinance as described below.

"Series 2000 A Bonds Sinking Fund" means the Series 2000 A Bond Sinking Fund established by Section 5.02 of the Bond Ordinance as described below.

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

Other terms used in this Schedule I and not defined herein shall have the meanings ascribed to them in the Bond Ordinance authorizing the City of Cameron Sewer Bonds, Series 2000 A (West Virginia Infrastructure Fund), a copy of which is on file and may be inspected at the office of the Secured Party indicated above.

07/11/00  
123610/99001

CH391827.1



# STEPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SEVENTH FLOOR

P. O. BOX 1588

CHARLESTON, W. VA. 25326-1588

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FACSIMILE (304) 353-8180

RILEY BUILDING, FOURTH FLOOR

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FACSIMILE (304) 233-0014

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FACSIMILE (304) 368-8413

WRITER'S DIRECT DIAL NUMBER

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CLARKSBURG, W. VA. 26302-2190  
(304) 624-8000  
FACSIMILE (304) 624-8183

1000 HAMPTON CENTER  
P. O. BOX 1816  
MORGANTOWN, W. VA. 26507-1816  
(304) 598-8000  
FACSIMILE (304) 598-8116

126 EAST BURKE STREET  
P. O. BOX 2629  
MARTINSBURG, W. VA. 25402-2629  
(304) 263-8991  
FACSIMILE (304) 262-3541

July 13, 2000

City of Cameron  
Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

City of Cameron  
Cameron, West Virginia

West Virginia Water Development Authority  
Charleston, West Virginia

West Virginia Infrastructure and  
Jobs Development Council  
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Cameron (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its \$2,530,188 Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated July 5, 2000, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, with no interest, and with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2002, and ending June 1, 2040, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds.

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

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

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on June 19, 2000, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 10, 2000 (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 enact 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 Council and cannot be amended so as to affect adversely the rights of the Authority or the Council or diminish the obligations of the Issuer without the written consent of the Authority and the Council.
3. The Bond Legislation and all other necessary ordinances and resolutions have been duly and effectively enacted and adopted by the Issuer in connection with the issuance and sale of the Bonds and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Bond Legislation and secured by a first lien on and pledge of the Net Revenues of the System, on parity with respect to liens, pledge and source of and security for payment of Issuer's Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program), dated November 13, 1997, issued in the original aggregate principal amount of \$450,000, all in accordance with the terms of the Bonds and the Bond Legislation.

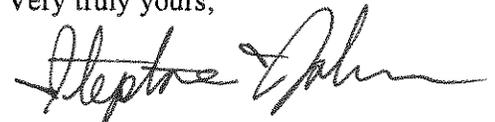
5. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

6. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from 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 in appropriate cases.

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

Very truly yours,



STEPTOE & JOHNSON

07/12/00  
123610.99001





J. K. CHASE, IV  
ATTORNEY AT LAW  
509 SEVENTH STREET  
MOUNDSVILLE, WV 26041

TELEPHONE (304) 845-5100  
FAX (304) 845-5102

July 13, 2000

City of Cameron  
Cameron, West Virginia

West Virginia Water Development Authority  
Charleston, West Virginia

West Virginia Infrastructure and  
Jobs Development Council  
Charleston, West Virginia

Steptoe & Johnson  
Clarksburg, West Virginia

**Re: City of Cameron, Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)**

Ladies and Gentlemen:

I am counsel to the City of Cameron, in Marshall County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson, as bond counsel, a loan agreement dated July 5, 2000, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), the Bond Ordinance duly enacted by the Issuer on June 19, 2000, as supplemented by the Supplemental Resolution duly adopted by the Issuer on July 3, 2000, (collectively, the "Bond Legislation"), and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). Capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

I am of the opinion that:

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

Page 2

Re: City of Cameron Sewer Revenue Bonds  
July 13, 2000

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 default under any ordinance, order, resolution, agreement or other instrument to which the Issuer is a party or any existing law, regulation, Court Order or consent decree to which the Issuer is subject.

5. The Issuer has received all permits, licenses, approvals, exemptions, consents, registrations, certificates and authorizations required by law for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders and approvals from the DEP and the Council and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges. The time for appeal of such rate ordinance has expired prior to the date hereof without any appeal.

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

Page 3

Re: City of Cameron Sewer Revenue Bonds  
July 13, 2000

7. Prior to the execution of construction contracts by the Issuer, I will verify that all successful bidders have made required provisions for all insurance and payment and performance bonds and I will verify such insurance policies or binders and such bonds for accuracy. Prior to the execution of construction contracts by the Issuer, I will review the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, and verify that such surety bonds and policies (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Very truly yours,

A handwritten signature in black ink, appearing to read 'J. K. Chase, IV', written over a horizontal line.

J. K. Chase, IV

JKCIV/slb



# STEPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SEVENTH FLOOR

P. O. BOX 1588

CHARLESTON, W. VA. 25326-1588

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FACSIMILE (304) 353-8180

July 13, 2000

Town of Cameron

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

RILEY BUILDING, FOURTH FLOOR

14TH AND CHAPLINE STREETS

P. O. BOX 150

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WRITER'S DIRECT DIAL NUMBER

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(304) 263-6991  
FACSIMILE (304) 262-3541

City of Cameron  
Cameron, West Virginia

West Virginia Infrastructure  
and Jobs Development Council  
Charleston, West Virginia

West Virginia Water Development Authority  
Charleston, West Virginia

Ladies and Gentlemen:

We are special counsel to the City of Cameron, a municipal corporation and political subdivision in Marshall 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 (the "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 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 Final Order entered on October 14, 1999, and the Commission Order entered on July 10, 2000, in Case No. 99-0617-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. The time for appeal of such Final Order has expired prior to the date hereof without any appeal. The time for appeal of the Commission Order has not expired prior to the date hereof. However, the parties to such Commission Order have stated that they do not intend to appeal such Commission Order. Such Commission Order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

City of Cameron, et al.  
Page 2  
July 13, 2000

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

Very truly yours,



STEPTOE & JOHNSON

06/30/00  
123610/99001

CH391444.1





J. K. CHASE, IV  
ATTORNEY AT LAW  
509 SEVENTH STREET  
MOUNDSVILLE, WV 26041

TELEPHONE (304) 845-5100  
FAX (304) 845-5102

July 13, 2000

Katy Mallory, Executive Secretary  
West Virginia Infrastructure and Jobs Development Council  
980 One Valley Square  
Charleston, WV 25301

**Re: City of Cameron Sanitary Sewer  
System Replacement Project**

Dear Mrs. Mallory:

I represent the City of Cameron with regard to a proposed project to construct a new sanitary sewage treatment plant and collection system to replace the existing system, hereinafter referred to as the "Project," and provides as final title opinion on behalf of the City of Cameron to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council, hereinafter referred to as the "Council" with regard to the Infrastructure Fund financing proposed for the project. Please be advised of the following:

1. That I am of the opinion that the City of Cameron is a duly created and existing municipality possessed with all the powers and authorities 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 Division of Environmental Protection;

2. That the City of Cameron 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 Lennon, Smith, Souleret 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 Marshall County, West Virginia, the County in which the Project is to be located, and, in my opinion, the City of Cameron has acquired rights of way or easements in, over and upon 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;

Page 2

Re: City of Cameron Sanitary Sewer System Replacement Project  
July 13, 2000

5. The following listed properties are being acquired by eminent domain and the necessary filings have been made in the Office of the Clerk of the County Commission of Marshall County, West Virginia, to permit the City of Cameron a right of entry for the purpose of construction, operation and maintenance of the subject facilities on the subject properties. The City of Cameron's title thereto is defeasible in the event that the City of Cameron does not satisfy any result of the judgment and/or award in the proceedings for acquisition of said rights of way and easements, and our certification is subject to that pending litigation: (All of the following properties are located in the Marshall County Assessors taxing district designated Cameron Corporation, except where the tax map and parcel number are preceded by an asterisk. In cases where the tax map and parcel number are preceded by an asterisk, that property is located in the taxing district designated Cameron District.)

OWNER NAME	TAX MAP NUMBER - PARCEL NUMBER
Betty Littleton	5 - 41
Jon E. Stoneking & Christy R. Stoneking	2 - 263
Albert Wayne Gray & Margaret Alice Gray	5 - 51
Riley Gorby, Jr. & June Gorby	*16A - 39
William C. Monahan	5 - 45
David D. Drake & Vicki L. Drake	5 - 54
Jody Diane Messinger Wolfe & Pamela M. Messinger	7 - 98
Arthur A. Levin	7 - 71
Mary Lee Higby	4 - 24
Charles Anderson	6 - 28
American Electric Power	7 - 67.1
John Puglia	5 - 100
John Puglia	5 - 101
John Puglia	5 - 107
William Thompson & Karen Thompson	5 - 57
Consolidation Coal Company	1 - 158
Consolidation Coal Company	*18 - 28
Ivan L. Antill & Cynthia D. Antill	2 - 209
C. R. Coleman & Jane Ann Coleman	6 - 92
Michael L. Mace & Staci R. Mace	*16A - 72
Robert R. Anderson & Carol Ann Anderson	2 - 208
Don Sampson, Barbara Sampson & Harold L. Sampson	1 - 14

Page 3

Re: City of Cameron Sanitary Sewer System Replacement Project  
July 13, 2000

OWNER NAME (cont.)	TAX MAP NUMBER - PARCEL NUMBER (cont.)
Jack R. Hammers, Fred P. Hammers, Twila O. Whipkey, Toni Jo Mason, Robert B. Mason, Erica Mason & O. E. Burge	4 - 28
Trustees of the Cameron Baptist Church	2 - 274
Charles Nedwin Leichter	5 - 71
Tara J. Smith	4 - 43
Almeda C. Leichter	2 - 264
Michael Matthews	5 - 78
Michael Matthews	5 - 79
Michael Matthews	5 - 77
Michael Matthews	5 - 76

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

Sincerely,



J. K. Chase, IV

JKCIV/slb

cc: City of Cameron  
Ned Mitrovich - Lennon, Smith, Souleret Engineering Inc.



CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

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

We, the undersigned MAYOR and CITY CLERK of the City of Cameron in Marshall County, West Virginia (the "Issuer"), the undersigned Counsel to the Issuer, hereby certify in connection with the \$2,530,188 principal amount of the City of Cameron Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds" or the "Series 2000 A Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meanings set forth in the Bond Ordinance of the Issuer duly enacted June 19, 2000, and the Supplemental Resolution duly adopted July 10, 2000 (collectively, the "Bond Legislation").

2. **NO LITIGATION:** No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Bonds, the acquisition and construction of the Project, the operation of the System, the receipt of the Gross Revenues, or in any way contesting or affecting the validity of the Bonds, or any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, the pledge or application of the Net Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, the acquisition and construction of the Project, the operation of the System, the collection and application of the Gross Revenues or the pledge of Net Revenues as security for the Bonds.

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

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

There is an outstanding obligation of the Issuer which will rank on a parity with the Series 2000 A Bonds as to liens, pledge, source of and security for payment, being the Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program), dated November 13, 1997, issued in the original aggregate principal amount of \$450,000 (the "Series 1997 A Bonds" or the "Prior Bonds").

The Issuer has obtained (i) the certificate of an Independent Certified Public Accountant stating that the parity tests of the Prior Bonds are met, and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2000 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Ordinances.

5. **CERTIFICATION OF COPIES OF DOCUMENTS:** The copies of the below-listed documents hereto attached or delivered herewith or heretofore delivered are true, correct and complete copies of the originals of the documents of which they purport to be

copies, and such original documents are in full force and effect and have not been repealed, rescinded, amended or changed in any way unless modification appears from later documents also listed below:

Bond Ordinance

Supplemental Resolution

Loan Agreement

Public Service Commission Orders

Infrastructure Council Approval

Charter

Oaths of Office of Officers and Councilmembers

Ordinance Creating Sanitary Board

Petition of Sanitary Board

Sewer Rate Ordinance

Minutes on Adoption and Enactment of Sewer Rate Ordinance

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

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

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

NPDES Permit

Evidence of West Virginia Infrastructure Fund Grant

Evidence of Small Cities Block Grant

Series 1997 A Bonds Ordinance

Consent of Prior Bondholder

6. **INCUMBENCY AND OFFICIAL NAME:** The proper corporate title of the Issuer is the "City of Cameron". The Issuer is a municipal corporation in Marshall 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 6 councilmembers, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>	<u>Date of Commencement of Office</u>	<u>Date of Termination of Office</u>
Thomas Stern, Mayor	February 1, 2000	January 31, 2002
Brain Marling	February 1, 1998	January 31, 2002
Margaret Francis	February 1, 2000	January 31, 2004
Larry Hartley	February 1, 2000	January 31, 2004
Sandra Kennedy	February 1, 1998	January 31, 2002
Helen Masters	February 1, 2000	January 31, 2004
Sharon Galentine	February 1, 2000	January 31, 2002

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

Chairman	-	Thomas Stern
Vice-Chairman	-	Victor Chambers
Member	-	Jack Schellhase, P.E.

The duly appointed and acting City Clerk of the Issuer is Judy L. Hunt. The duly appointed and acting Counsel to the Issuer is John K. Chase, IV, Esquire, Moundsville, West Virginia. The duly appointed and acting special counsel to the Issuer for matters before the Public Service Commission of West Virginia is Steptoe & Johnson, Clarksburg, 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.

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

14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE:

Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the The Moundsville Daily Echo, a qualified newspaper of general circulation in the City of Cameron, there being no newspaper published therein, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Governing Body at the public hearing held at a public meeting of Governing Body on the 19th day of June, 2000, at 7:30 p.m., at the Cameron City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the City 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.

15. PUBLIC SERVICE COMMISSION ORDERS: The Issuer has received the Final Order and Commission Order of the Public Service Commission of West Virginia entered on September 24, 1999 and July 10, 2000, respectively, in Case No.99-0617-S-CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Final Order has expired prior to the date hereof without any appeal. The time for appeal of the Commission Order has not expired prior to the date hereof. The Issuer hereby states that it does not intend to appeal such Commission Order. The other parties to such Commission Order have stated that they do not intend to appeal such Commission Order. Such Commission Order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

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

17. CONFLICT OF INTEREST: No officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Bonds, the Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall

include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

18. GRANTS: As of the date hereof, the following grants are committed for the Project: (i) the United States Department of Housing and Urban Development (Small Cities Block Grant through the State of West Virginia) in the amount of \$1,250,000 and (ii) the grant from the West Virginia Infrastructure and Jobs Development Council in the amount of \$2,865,000. The Issuer agrees to contribute \$122,086 from its own funds to the Project.

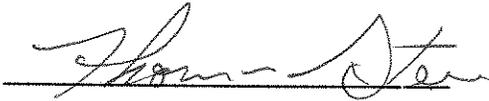
19. EXECUTION OF COUNTERPARTS: This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

WITNESS our signatures and the official seal of the CITY OF CAMERON on this 13th day of July, 2000.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

  
\_\_\_\_\_

Mayor

  
\_\_\_\_\_

City Clerk

  
\_\_\_\_\_

Counsel to Issuer

07/11/00  
123610.99001

CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

CERTIFICATE OF ENGINEER

I, Lawrence J. Lennon, Registered Professional Engineer, West Virginia License No. 8297, of Lennon, Smith & Souleret, Engineering, Inc., Corapolis, Pennsylvania, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements (the "Project") to the existing public sewerage system (the "System") of the City of Cameron (the "Issuer") to be constructed primarily in Marshall County, West Virginia, which acquisition and construction are being permanently financed in part by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Ordinance enacted by the Issuer on June 19, 2000, as supplemented by the Supplemental Resolution adopted by the Issuer on July 10, 2000 and the Loan Agreement dated July 5, 2000 (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council").

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

3. 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, the Council and the Authority and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least forty years, if properly constructed, 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 the Schedule B attached hereto as Exhibit A and, prior to execution of the construction contracts, the Issuer's counsel, John K. Chase, IV, Esquire, will ascertain that all successful bidders have made required provisions for all

insurance and payment and performance bonds and such insurance policies or binders and such bonds will be 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 reflect the Project as approved by the DEP and the bid forms provided to the bidders contain the 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 the operation of the System; (ix) in reliance upon the certificate of the Issuer's certified public accountant, Michael D. Griffith, CPA, as of the effective date thereof, the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan 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 and the Council; and (xi) attached hereto as Exhibit A is the final "Schedule B - Final Total Cost of Project and Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this 13th day of July, 2000.

LENNON, SMITH & SOULERET  
ENGINEERING, INC.

(SEAL)



  
Lawrence J. Lennon, P.E.  
West Virginia License No. 8297

07/10/00  
123610.99001

## WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

### SCHEDULE B CITY OF CAMERON

#### FINAL TOTAL COST OF PROJECT, SOURCES OF FUNDS AND COST OF FINANCING

A. Cost of Project	Total	IJDC	(Project Sponsor)	SCBG
1. Construction				
a. 98 STP	\$2,250,000.00	\$1,045,000.00		\$ 1,205,000.00
b. 98 S1	\$1,425,348.00	\$1,425,348.00		
c. 98 S2	\$1,637,739.00	\$1,637,739.00		
d. 98 S3	\$791,188.00	\$791,188.00		
2. Engineering Fees <sup>(1)</sup>	\$402,521.00	\$402,521.00		
3. Legal <sup>(2)</sup> Right-of-Way & PSC Work	\$11,500.00	\$11,500.00		
4. Administration	\$45,000.00	\$0.00		\$45,000.00 <sup>(5)</sup>
5. Sites and Other Lands <sup>(3)</sup>	\$5,000.00	\$5,000.00		
6. Contingency	\$179,978.00	\$57,892.00	\$122,086.00	
7. Total of Lines 1 through 6	\$6,748,274.00	\$5,395,188.00	\$122,086.00	\$1,250,000.00
<b>B. Sources of Funds</b>				
8a. Local <sup>(4)</sup>	\$122,086.00			
8b. SCBC	\$1,250,000.00			
8c. IJDC Grant	\$2,865,000.00			
9. Net Proceeds Required from Bond Issue (Line 7 minus Line 8)	\$2,511,188.00			
<b>C. Cost of Financing</b>				
10. Other Costs				
a. Bond Counsel	\$15,000.00			
b. Accountant	\$4,000.00			
11. Total Cost of Financing (Lines 10a and 10b)	\$19,000.00			
12. Size of Bond Issue (Line 9 plus Line 11)	\$2,530,188.00			

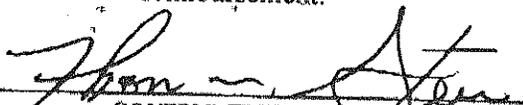
(1) Does not include design phase, SRF funded (\$450,000.00 loan) engineering services of \$380,805.00.

(2) Legal fees for rights-of-way (ROW) acquisition, and PSC work.

(3) ROW acquisition costs.

(4) Anticipated contribution from City of Cameron.

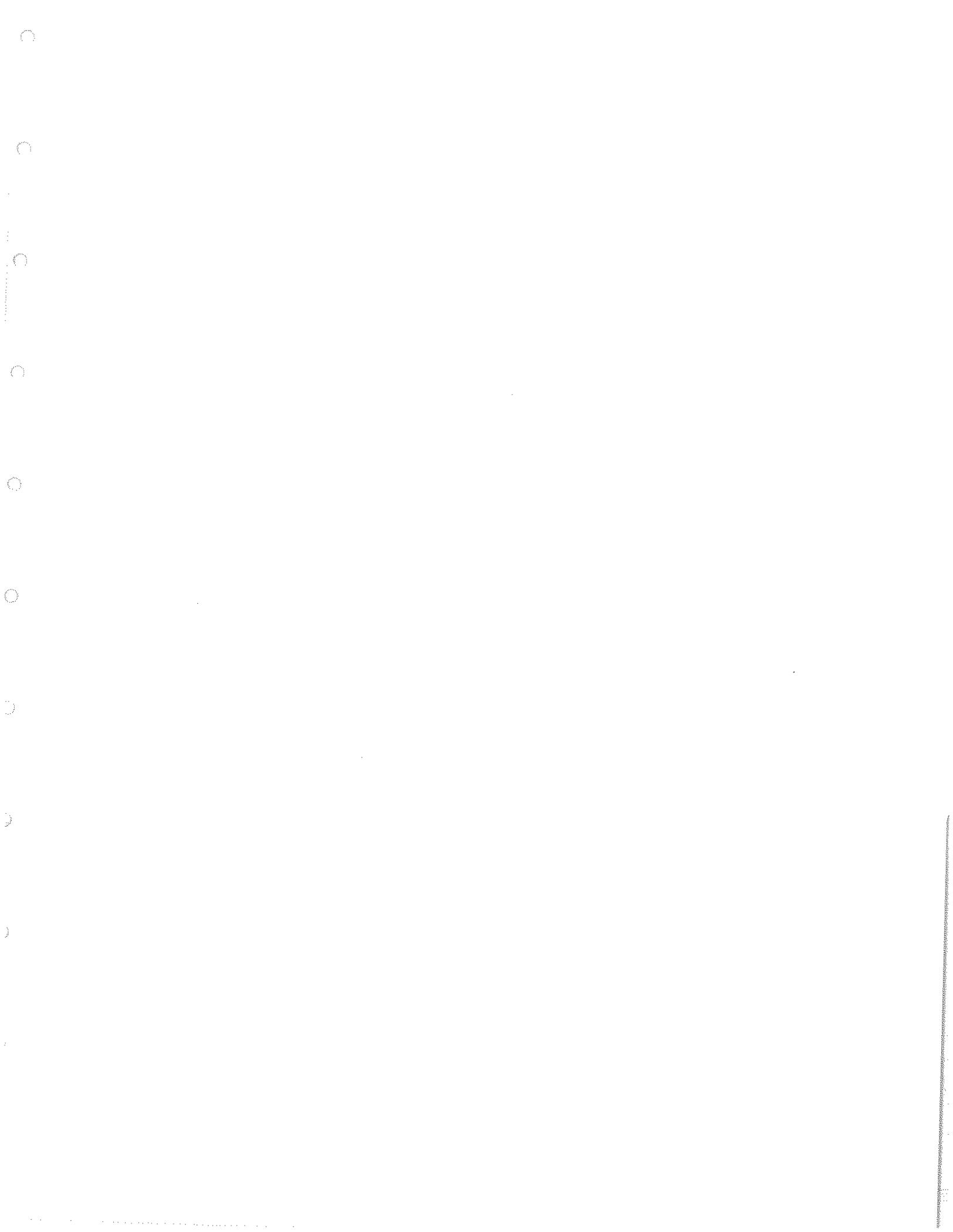
(5) Belomar Regional Council: \$40,000.00 Administration Fee and \$5,000.00 allocation for tap-in reimbursement.

  
GOVERNMENTAL AGENCY

  
CONSULTING ENGINEER

DATE: 7/7/00

DATE: July 7, 2000





**MICHAEL D. GRIFFITH**

**CERTIFIED PUBLIC ACCOUNTANT**

Post Office Box 11337 Charleston, West Virginia 25339  
Office (304) 756-3600 Fax: (304) 756-2911

**CITY OF CAMERON**  
**Sewer Revenue Bonds,**  
**Series 2000 A (West Virginia Infrastructure Fund)**

City of Cameron  
Cameron, West Virginia

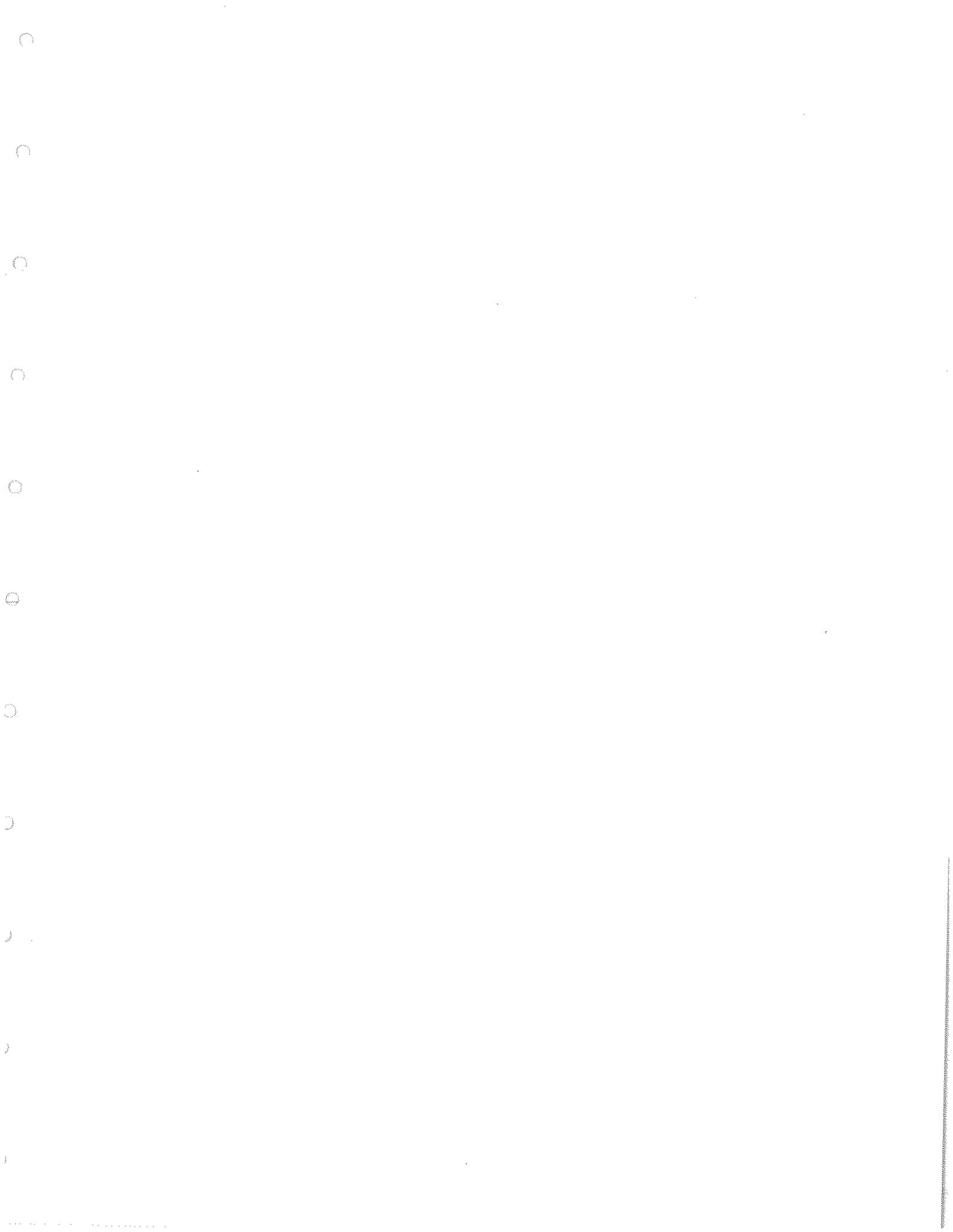
West Virginia Infrastructure and Jobs Development Council  
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges as set forth in the sewer rate ordinance of the City of Cameron (the "Issuer"), enacted June 7, 1999, effective January 1, 2000, and projected operation and maintenance expenses and anticipated customer usages as furnished to me by the City of Cameron and its consulting engineers, Lennon, Smith & Souleret, Engineering, Inc., it is my opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system of the Issuer (the "System"), will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund) (the "Bonds"), to be issued in the original aggregate principal amount of \$2,530,188 to the West Virginia Water Development Authority on the date hereof, and all other obligations secured by or payable from the revenues of the System, prior to, on a parity with or junior to the Bonds, including the Issuer's Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program) (the "Prior Bonds"). It is my further opinion that the Net Revenues actually derived from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of the Bonds, plus the estimated average increased annual Net Revenues to be received in each of the three succeeding years after the date of issuance of the Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for principal of and interest on the Bonds and the Prior Bonds.

Sincerely,

Michael D. Griffith, CPA  
July 13, 2000



CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Mayor of the City of Cameron in Marshall County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of \$2,530,188 Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), dated July 13, 2000 (the "Series 2000 A Bonds" or "Bonds"), hereby certify as follows:

1. I am one of the officers 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 adopted by the Issuer on June 19, 2000 (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 July 13, 2000, the date on which the Bonds are being physically delivered in exchange for an initial advance of \$42,765, being a portion of the principal amount of the Series 2000 A 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 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 Infrastructure and Jobs Development Council (the "Council"), 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 2000 A Bonds were sold on July 13, 2000, to the Authority, pursuant to a loan agreement dated July 5, 2000, by and between the Issuer and the Authority, on behalf of the Council, for an aggregate purchase price of \$2,530,188

(100% of par), at which time, the Issuer received \$42,765 from the Authority and the Council, being the first advance of the principal amount of the Series 2000 A Bonds. No accrued interest has been or will be paid on the Series 2000 A Bonds. The balance of the principal amount of the Series 2000 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2000 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds and related costs.

7. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend in excess of \$100,000 on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds constituting capitalized interest, if any, and proceeds deposited in the Reserve Account for the Bonds, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before December 13, 2001. The acquisition and construction of the Project is expected to be completed by September 13, 2001.

8. The total cost of the Project is estimated at \$6,767,274. Sources and uses of funds for the Project are as follows:

SOURCES

Proceeds of the Series 2000 A Bonds	\$ 2,530,188
Small Cities Block Grant	\$ 1,250,000
West Virginia Infrastructure Fund Grant	\$ 2,865,000
Funds contributed from Issuer	<u>\$ 122,086</u>
Total Sources	<u>\$ 6,767,274</u>

USES

Costs of Acquisition and Construction of the Project	\$ 6,748,274
Costs of Issuance	<u>\$ 19,000</u>
Total Uses	<u>\$ 6,767,274</u>

9. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created or continued relative to the Series 2000 A Bonds:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Series 2000 A Bonds Construction Trust Fund;
- (4) Series 1997 A Bonds Sinking Fund;
- (5) Within the Series 1997 A Bonds Sinking Fund, the Series 1997 A Bonds Reserve Account
- (6) Series 2000 A Bonds Sinking Fund; and
- (7) Within the Series 2000 A Bonds Sinking Fund, the Series 2000 A Bonds Reserve Account;

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

(1) Bond proceeds in the amount of \$-0- will be deposited in the Series 2000 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Series 2000 A Bonds during acquisition and construction of the Project and for a period not to exceed six months following completion thereof.

(2) Series 2000 A Bonds proceeds in the amount of \$-0- will be deposited in the Series 2000 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 2000 A Bonds will be deposited in the Series 2000 A 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 2000 A Bonds and related costs.

11. Moneys held in the Series 2000 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2000 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 2000 A Bonds Sinking Fund and Series 2000 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2000 A 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.

12. 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 14 months of the date hereof.

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

14. With the exception of the amount deposited in the Series 2000 A Bonds Sinking Fund for payment of interest, if any, on the Bonds and the amount deposited in the Series 2000 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 17 months from the date of issuance thereof.

15. 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.

16. 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.

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

18. 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.

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

20. 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.

21. The Bonds are not federally guaranteed.

22. 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 public purpose bonds.

23. The Issuer has either (a) funded the Series 2000 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 2000 Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2000 A Bonds Reserve Account hold 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. Moneys in the Series 2000 A Bonds Reserve Account and the Series 2000 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Bonds and will not be available to pay costs of the Project.

24. 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.

25. 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.

26. 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.

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

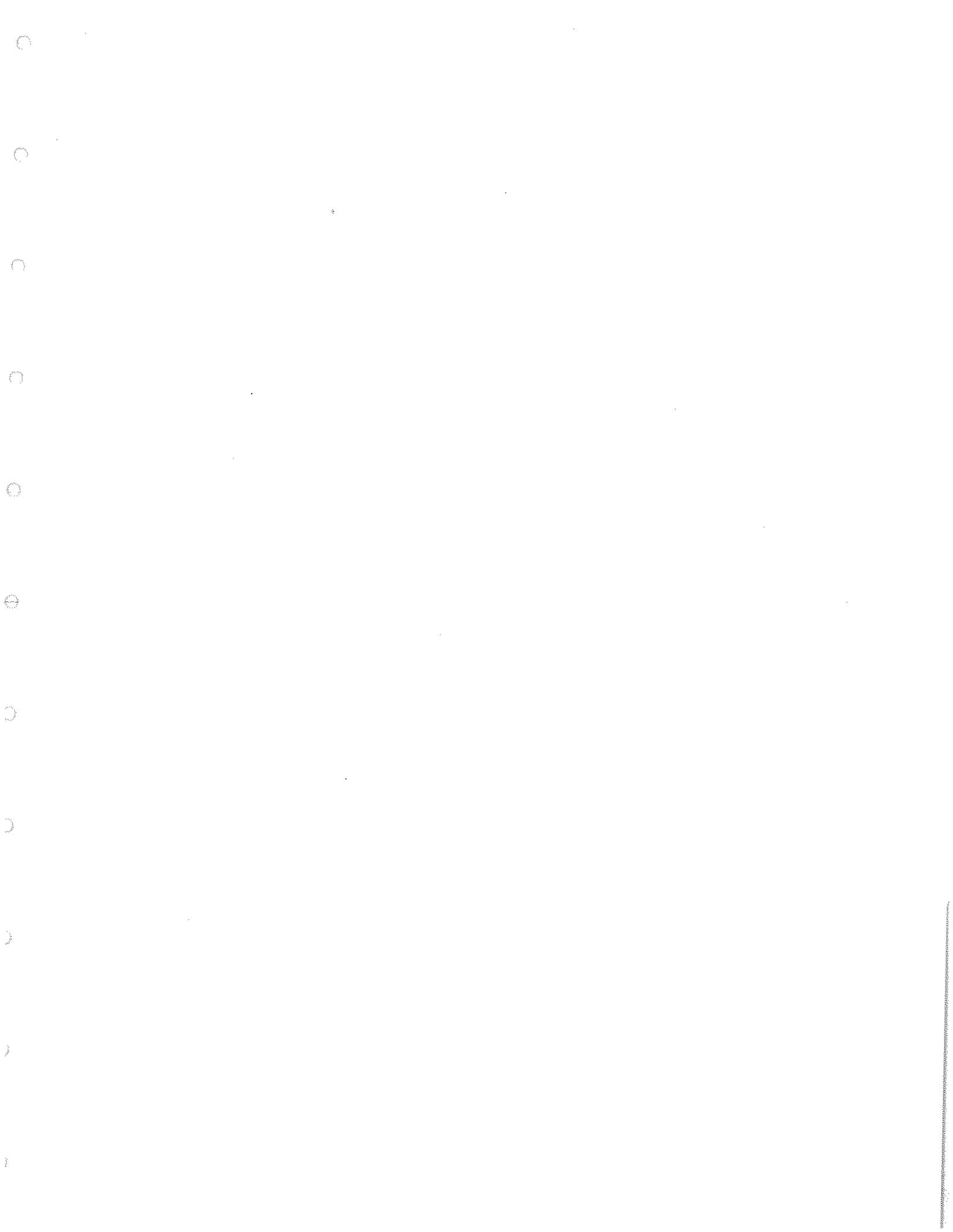
WITNESS my signature on this 13th day of June, 2000.

CITY OF CAMERON

  
\_\_\_\_\_  
Mayor

07/12/00  
123610/99001

CH385994.2



**RESERVED**



CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

CERTIFICATE OF FILING OF  
FINANCING STATEMENT - SECRETARY OF STATE

I, KEN HECHLER, Secretary of State of the State of West Virginia, hereby certify that on July 13, 2000, at the hour set forth below, there was filed in my office:

(1) A FINANCING STATEMENT between the City of Cameron, as debtor, and West Virginia Water Development Authority, as secured party, filed at the hour of 10:32 m. as Financing Statement No. 543414.  
10:32 AM

[SEAL]



Secretary of State of the State of West Virginia

06/29/00  
123610.99001



CAMERON CHARTER

1927

# CHAPTER 10

(Senate Bill No. 383--Mr. Highland.)

AN ACT to amend and re-enact chapter three of the Acts of the Legislature of the year one thousand nine hundred and twenty-one, and so designated in the bound volume of municipal charters, relating to the charter of the City of Cameron in the county of Marshall and state of West Virginia, fixing its corporate limits, prescribing and defining the authority, powers and duties of said city and its officers, and repealing chapter sixty-eight of the Acts of the Legislature of the year one thousand nine hundred and twenty-three and all other acts or parts of acts inconsistent with this act.

[Passed April 29, 1927. In effect from passage. Became a law without the approval of the Governor.]

- | SEC.   | SEC.  |
|--|---|
| 1. Creating corporate city; general provisions.  | 25. Transcript of record in appeal cases.                             |
| 2. Corporate limits.   | 26. Fine, costs and fees to be included if appellant be found guilty. |
| 3. Wards and boundaries.   | 27. Judgments; when appeals allowed.                                  |
| 4. Municipal officers; how elected; qualifications.                                      | 28. Solicitor; his duties; compensation.                              |
| 5. Municipal authorities vested in mayor and council.                                    | 29. Health officer, his duties; salary.                               |
| 6. Elections; qualifications of voters; contests, how decided; to be decided by council. | 30. Treasurer, duties; bond required; compensation.                   |
| 7. Terms of office.  | 31. Street commissioner; his powers and duties; compensation.         |
| 8. Eligibility of officers.  | 32. City engineer; how appointed; duties and compensation.            |
| 8-a. Powers and duties of officers appointed by council.                                 | 33. Liens for taxes.  |
| 9. Official bonds.   | 34. City licenses.  |
| 10. Council may remove elected officers for cause; how vacancy filled.                   | 35. How licenses may be applied for and granted.                      |
| 11. Council meetings; quorum; who to preside.  | 36. Condemnation proceedings.   |
| 12. Minutes, how kept.   | 37. Clerk, his duties; when to act as mayor; required to give bond.   |
| 13. Reading of the minutes.  | 38. Sidewalks.  |
| 14. Money, how appropriated.   | 39. Street paving.  |
| 15. Corporate powers.  | 40. Annual levy.  |
| 16. Franchises.  | 41. Financial statement; to be published annually; what to contain.   |
| 17. Exercising corporate powers.   | 42. Authority to issue bonds.   |
| 18. Mayor, his powers and duties; salary.  | 43. City of Cameron successor to Town of Cameron.                     |
| 19. Law enforcement; ordinances; procedure.  | 44. Council empowered to combine certain offices.                     |
| 20. Executions for fines and costs; by whom issued.                                      | 45. Certain acts and inconsistent acts repealed.                      |
| 21. Policemen, how appointed.  |   |
| 22. Violations in presence of officer.   |   |
| 23. Mayor's docket.  |   |
| 24. Appeals; when granted; recog-  |   |

Be it enacted by the Legislature of West Virginia:

Section 1. That the inhabitants of so much of the county of Marshall as are within the bounds prescribed by section two of this act, now and hereafter residing within said bounds, shall be and they are hereby constituted a body politic and corporate,

5 by and under the name of "The City of Cameron," and as such  
6 and in that name shall have perpetual succession and a common  
7 seal and may sue and be sued, contract and be contracted with,  
8 purchase, lease, hold and use real and personal property for  
9 municipal purposes, and generally have all the rights, powers  
10 and franchises belonging or appertaining to municipal cor-  
11 porations in the state of West Virginia.

Sec. 2. The boundaries of said city shall be as follows:  
2 Beginning at the northeast corner of the county bridge over  
3 Grave creek southwest of site of Baltimore and Ohio railroad  
4 shops; thence down said creek north eighty-seven degrees thirty-  
5 five minutes west one hundred and sixty feet to a stake; thence  
6 continuing down said creek north forty-one degrees west two  
7 hundred and forty-two feet to a stake; thence leaving the creek  
8 and continuing up a drain north twenty-three degrees twenty-  
9 five minutes east one thousand two hundred feet to a stake, north  
10 forty-five degrees west forty-three feet from a sycamore; thence  
11 leaving said drain, continuing through the lands of George  
12 Gump, West Lawn Addition, and E. Hall south sixty-six degrees  
13 twenty minutes two thousand two hundred feet to a stake, an  
14 original corner to the present corporation line of the Town of  
15 Cameron; thence following the said present corporation the fol-  
16 lowing ten courses and distances, south eighty-five degrees east  
17 two hundred and forty feet; north five degrees east nine hundred  
18 and eighty-five feet; north three degrees west six hundred and  
19 fifty feet; north one thousand four hundred and thirty east six  
20 hundred and eighty-eight feet; thence crossing north of Patter-  
21 son Glass company's plans south thirty-nine degrees ten minutes  
22 east two hundred and forty-nine feet; south ten degrees fifteen  
23 minutes west four hundred and thirty-one feet; south one de-  
24 gree forty-five minutes east two hundred and sixty-four feet;  
25 south four degrees fifteen minutes west three hundred and  
26 seventy-nine feet; south seventeen degrees east three hundred  
27 and sixty feet; south twenty-four degrees south no minutes  
28 east forty-one feet to corner of John Crawford's land; thence,  
29 leaving the present corporation line, and continuing with line  
30 of lands of John Crawford and Lizzie McConaughy north  
31 seventy-two degrees fifty minutes east one thousand seven hun-  
32 dred and twelve feet to an iron pin, corner to lands of Lizzie  
33 McConaughy and John Crawford; thence through the lands  
34 of John Crawford and Geo. N. Yoho, and passing between said

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35 Yoho's house and barn, north eighty-three degrees fifty minutes  
36 east one thousand four hundred and fifty-nine feet to stake in  
37 Yoho's line thirteen feet south of A. McCracken and Alley Kin-  
38 sey's lot; thence with Geo. N. Yoho's line, north twenty-three  
39 degrees fifteen minutes east four hundred and ninety-two feet  
40 to a stake, corner to lands of Geo. N. Yoho; thence with his  
41 land north five degrees twenty minutes east five hundred and  
42 forty-eight feet to a post in Yoho's line and a corner to lands  
43 of Jerry A. Fitzgerald and A. McCracken; thence leaving  
44 Yoho's line and running with lines of Fitzgerald and Mc-  
45 Cracken and Simmons, south eighty-nine degrees fifteen min-  
46 utes east crossing the Cameron and Clouston pike six hundred  
47 feet to a stake on a flat in field of S. D. McConaughey; thence  
48 through the lands of S. D. McConaughey and D. W. Mc-  
49 Conaughey, south nineteen degrees west two thousand six hun-  
50 dred and sixty feet to a locust stump; thence continuing  
51 through lands of D. W. McConaughey and J. M. Nichols, south  
52 eighty-three degrees fifty minutes east two thousand three hun-  
53 dred and twenty-four feet to a locust tree; thence south sixty-  
54 nine degrees east one thousand two hundred feet to the most  
55 northerly of three large white oaks on the east side of a drain;  
56 thence south seventeen degrees thirty minutes west seven hun-  
57 dred and ten feet to the twenty-eight mile post on the Balti-  
58 more and Ohio railroad; thence continuing through the lands  
59 of L. L. Howard, S. B. Dallison and J. A. Hicks' heirs south  
60 eighty-seven degrees twenty minutes west two thousand seven  
61 hundred feet to a locust tree; thence south sixteen degrees  
62 forty-five minutes east four hundred and seventy-three feet to  
63 a locust tree in J. A. Hicks' heirs and S. B. Dallison line;  
64 thence south forty-seven degrees fifteen minutes east five hun-  
65 dred and twenty feet to a stone in old quarry on a point;  
66 thence south fifty-seven degrees five minutes east one thousand  
67 two hundred and forty-eight feet to a stake one hundred and  
68 seventy-five feet east of a drain; thence south forty-two de-  
69 grees thirty minutes west passing thirty feet east of residence  
70 of Nancy Barnett, crossing Ramp hollow six hundred feet to  
71 a stake in Henry Wendt's field, thence continuing through lands  
72 of said Wendt and J. C. Reid, north sixty-six degrees fifty  
73 minutes west one thousand seven hundred and nine feet to a  
74 corner of J. C. Reid and Dr. W. V. Teagarden; thence through  
75 said Teagarden's lands, north thirty seven degrees west five hun-

76 dead sixty feet to a dead white oak in Teagarden's line; thence  
 77 north seventy-eight degrees west one thousand five hundred and  
 78 forty-three feet to a hest tree; thence north seventy-three de-  
 79 grees west eight hundred and sixteen feet to a white oak on the  
 80 west side of drain in W. Chambers' lot; thence through the  
 81 lands of said Chambers and Harry Moose, passing between barn  
 82 and house of said Harry Moose, north seventy-three degrees  
 83 west one thousand two hundred and eighty feet to a stake;  
 84 thence through the lands of Harry Moose, Elder Company, Mrs.  
 85 Anderson, G. W. McCracken and David Gump, north sixty-two  
 86 degrees west one thousand seven hundred and ninety feet to a  
 87 stake at top of bank in David Gump's field; thence north  
 88 twenty-nine degrees fifteen minutes west nine hundred and fifty-  
 89 one feet to the beginning, containing approximately fifty acres,  
 90 according to a survey made by R. C. Yoho, county surveyor,  
 91 January fifth and sixth, one thousand nine hundred and fifteen.

#### Wards

Sec. 3. The territory of said city is hereby divided into  
 2 three wards, as follows: All that part of the city lying south  
 3 of the Baltimore and Ohio railroad shall constitute the first  
 4 ward; that part lying east of Bridge street and North avenue  
 5 and north of the Baltimore and Ohio railroad shall constitute  
 6 the second ward, and all that part lying west of Bridge street  
 7 and North avenue and north of the Baltimore and Ohio rail-  
 8 road shall constitute the third ward. The council of the city  
 9 may change the boundaries of the different wards, but regard  
 10 shall be had to equality of population.

#### Officers

Sec. 4. The officers of said city shall be a mayor, chief of  
 2 police, clerk, who shall be *ex-officio* collector, solicitor, treasurer,  
 3 health officer and six councilmen. The mayor shall be elected  
 4 by the qualified voters of the city. The councilmen shall be  
 5 elected by the qualified voters of their respective wards. The  
 6 clerk and chief of police shall be appointed by the mayor but  
 7 such appointments shall not become effective until confirmed  
 8 by the council. At the first regular meeting following the election  
 9 provided for herein, the mayor shall appoint a person residing  
 10 within said city for the office of clerk, and another person re-  
 11 siding within said city for the office of chief of police. The  
 12 council shall without unreasonable delay either confirm or re-

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13 ject such appointments, and if the same or either of them be re-  
14 jected by the council, the mayor shall make further appoint-  
15 ments for the consideration of the council until the same are  
16 confirmed by said council. The solicitor, treasurer, health offi-  
17 cer and such other officers as may be needed from time to time,  
18 shall be appointed by the council. No person shall be eligible  
19 to the office of mayor or councilman in said city unless he is  
20 a qualified voter thereof, nor unless he has resided therein for  
21 at least one year next preceding his election, nor who shall not  
22 have been assessed during the current year for taxation with  
23 real or personal property located in said city of the value of at  
24 least five hundred dollars; and in case of a councilman, he shall  
25 be a *bona fide* resident of the ward from which he is elected, and  
26 his removal from the ward in which he is elected shall vacate  
27 his office. Each ward shall be represented by two councilmen.

Sec. 5. The municipal authorities of said city shall consist  
2 of the mayor and six councilmen, who together shall form a  
3 common council, and all the corporate powers of said corpora-  
4 tion shall be exercised by said council, or under its authority,  
5 except where otherwise provided by this act.

*Elections.*

Sec. 6. The first election held hereunder shall be on the  
2 first Thursday of January, one thousand nine hundred and  
3 twenty-eight and biennially thereafter. Every person who has  
4 been a *bona fide* resident of the city for three months next pre-  
5 ceding any election, and otherwise a qualified voter under the  
6 constitution and laws of this state, shall be entitled to vote at  
7 such election, in the ward in which he resides. The election  
8 shall be held, conducted and the results thereof be ascertained,  
9 returned and determined under such rules and regulations as  
10 may be prescribed by the council, which shall not be incon-  
11 sistent with the general laws of the state governing municipal  
12 elections, and shall conform as nearly as practicable to such  
13 laws. Contested elections shall be heard and determined by the  
14 council, and the proceedings therein shall conform as nearly as  
15 possible to similar proceedings in the case of county and dis-  
16 trict officers. The council shall be the judge of the election, re-  
17 turn and qualification of its own members. In case two or more  
18 persons receive an equal number of votes for the same office, if  
19 such number be the highest cast for such office, the council shall

20 determine by vote which of them shall be returned elected, and  
21 shall make their return accordingly.

*Terms of Officers*

22 Sec. 7. The term of office of the mayor shall begin on the  
23 first day of February next succeeding his election, and shall be  
24 for a term of two years, and until his successor is elected and  
25 qualified. The clerk and chief of police shall be appointed by  
26 the mayor and such appointment shall be confirmed by the  
27 council. They shall be appointed for a term of two years, but  
28 said appointments or either of them may be revoked by the  
29 mayor at any time. The treasurer, solicitor, health officer and  
30 such other officers as may be needed from time to time, shall be  
31 appointed by the council and shall hold office during the will  
32 and pleasure of the council. Any former incumbent shall be  
33 ineligible for a second appointment, unless he shall have fully  
34 settled up the business of his former term. At the first elec-  
35 tion provided for in section six of this act, there shall be elected  
36 a mayor whose term of office shall begin and continue as herein-  
37 before provided. At such election there shall also be elected  
38 one councilman from each ward whose term of office shall begin  
39 on the first day of February next succeeding their election, and  
40 shall be for a term of four years, and until their successors  
41 have been elected and qualified. Such councilmen shall suc-  
42 ceed, in their respective wards, those councilmen now in office  
43 whose term expires on the thirty-first day of January, one  
44 thousand nine hundred and twenty-eight. At each succeeding  
45 biennial election one councilman shall be elected for the term  
46 of four years from each ward, and nothing herein contained  
47 shall vacate or effect the term of office of any councilman now  
48 in office in said city.

49 The council shall have the right to fix a compensation for  
50 the members thereof, which compensation shall not exceed the  
51 sum of fifty dollars per year to each member.

52 Sec. 8. Every person elected or appointed to any office in  
53 said city shall, within twenty days after his election or appoint-  
54 ment, and before entering upon the discharge of the duties  
55 thereof, take and subscribe the oath of office prescribed by law  
56 for officers generally, which may be done before the mayor or  
57 clerk of said city, or before any person authorized by law to



5 its own guidance and government. The council shall be pre-  
6 sided over at its meetings by the mayor, or in his absence by  
7 the clerk, or in the absence of both mayor and clerk, then one  
8 of the councilmen selected by a majority of the council present  
9 who may vote on any question as member of the council. A  
10 majority of the council shall be necessary to constitute a quorum  
11 for the transaction of business. No member of the council  
12 shall vote upon or take part in the consideration of any propo-  
13 sition in which he is or may be interested, otherwise than as  
14 a resident of said city.

Sec. 12. The council shall cause to be kept by the clerk in  
2 a well bound book to be called the "minute book," accurate  
3 copies of all its proceedings, ordinances, acts, orders and resolu-  
4 tions, and in another to be called the "ordinance book" accurate  
5 copies of all the ordinances adopted by the council, both of which  
6 shall be fully indexed and open to the inspection of any one  
7 required to pay taxes to said city, or who may be otherwise  
8 interested. All oaths and bonds of officers of the city and all  
9 papers of the council shall be endorsed, filed and securely kept  
10 by the clerk, except the bond of the clerk, which shall be filed  
11 with the mayor. All printed copies of such ordinances pur-  
12 porting to be published under authority of the council, and  
13 transcripts of such ordinances, acts, orders and resolutions,  
14 certified by the clerk under the seal of the city, shall be deemed  
15 *prima facie* correct, when sought to be used as evidence in any  
16 court or before any justice.

Sec. 13. At each meeting of the council, the proceedings of  
2 the last meeting shall be read, and if erroneous, corrected and  
3 signed by the presiding officer for the time being. Upon the  
4 call of any member the yeas and nays on any question shall be  
5 taken and recorded in the minute book.

Sec. 14. No ordinance or by-laws, and no resolution or meas-  
2 ure for the expenditure of money other than to defray the cur-  
3 rent and incidental expenses of the city, shall be deemed passed  
4 or adopted unless it shall have been fully read at two consec-  
5 tive meetings of the council, and shall have received a majority  
6 of the votes of the members present, when it shall stand and  
7 be declared adopted and not otherwise.

Sec. 15. The council of said city shall have power to lay  
2 off, vacate, close, open, alter, grade and keep in good repair

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3 the roads, streets, alleys, pavements, sidewalks, crosswalks,  
 4 drains and gutters therein for the use of the citizens or of the  
 5 public, and to improve and light the same, and to keep the  
 6 same free from obstructions of every kind; to regulate the  
 7 width of pavements and sidewalks on the streets and alleys,  
 8 and to order the pavements, sidewalks, footways, drains and  
 9 gutters to be kept in good order, free and clean, by the owners  
 10 or occupants of the real property next adjacent thereto; to  
 11 establish and regulate markets, prescribe the time of holding  
 12 the same, provide suitable and convenient buildings therefor,  
 13 and prevent forestalling or regrating such markets; to pre-  
 14 vent injury or annoyance to the public or to individuals from  
 15 anything dangerous, offensive or unwholesome; to prohibit or  
 16 regulate slaughter-houses and soap factories within the city  
 17 limits, or the exercise of any unhealthy or offensive business,  
 18 trade or employment; to abate all nuisances within the city  
 19 limits, or to require and compel the abatement or removal  
 20 thereof, by or at the expense of the person causing same, or  
 21 at the expense of the owner or occupant of the ground on  
 22 which they are placed or found; to cause to be filled up,  
 23 raised or drained by or at the expense of the owner, any city  
 24 lot or tract of land covered or subject to being covered by  
 25 stagnant water; to prevent horses, hogs, dogs, cattle, sheep,  
 26 or other animals and fowls of all kinds from going or being  
 27 at large in such city, and as one means of prevention, to pro-  
 28 vide for impounding and confining such animals and fowls,  
 29 and upon failure to reclaim, for the sale thereof; to protect  
 30 places of divine worship and to preserve order in and about  
 31 the premises where and when such worship is held; to regu-  
 32 late the keeping of gunpowder and other inflammable or dan-  
 33 gerous substances; to provide and regulate the building of  
 34 houses or other structures, and for the making and main-  
 35 taining of division fences by the owners of adjoining premises,  
 36 and for the proper drainage of city lots or other parcels of  
 37 land, by or at the expense of the owner or occupant thereof;  
 38 to provide against damage or danger by fire; to punish for  
 39 assaults and batteries; to arrest, convict and punish any person  
 40 for gambling or keeping gaming tables, commonly called A,  
 41 B, C, or E. O., table or faro bank or keno table, or table of  
 42 like kind, under any denomination, whether the game or table

43 be played with cards, dice or otherwise, or shall be a partner,  
44 or concerned in interest, in the keeping or exhibiting such  
45 table or bank, or keeping or maintaining any gaming house  
46 or place, or betting or gambling for money or any thing of  
47 value; to suppress houses of ill-fame and to arrest and punish  
48 persons loitering in, or visiting them, or loitering in saloons,  
49 or upon the streets; to prevent lewd and lascivious conduct;  
50 the sale or exhibition of indecent pictures or other represen-  
51 tations; the desecration of the Sabbath day; profane swear-  
52 ing; the illegal sale of intoxicating liquors of all kinds and  
53 classes; to protect the persons of those residing or being within  
54 said city; to appoint when necessary or advisable a police  
55 force, permanent or temporary, to assist the chief of police  
56 in the discharge of his duties; to build or purchase, or lease  
57 and to use a suitable place within or near said city for the  
58 safe keeping or punishment of persons charged with or con-  
59 victed of the violation of ordinances; to provide for the em-  
60 ployment of persons convicted of the violation of ordinances,  
61 or who may be committed in default of the payment of fines,  
62 penalties or costs, and who are otherwise unable to discharge  
63 the same, by putting them to work for the benefit of the city,  
64 and to use such means to prevent their escape while at work,  
65 as they may deem expedient; to erect or authorize or pro-  
66 hibit the erection of gas works, electric light works, or water  
67 works within the city limits; to prevent injury to such works  
68 or the pollution of any gas or water used or intended to be  
69 used by the public or by individuals, and to do all things  
70 necessary to adequately supply said city and the inhabitants  
71 thereof with pure, healthful and wholesome water to use;  
72 generate, distribute, sell and control electricity and gas for  
73 heat, light and power and to furnish light for the streets,  
74 houses, buildings, stores and other places in and about said  
75 city; to provide a sewerage system for said city; to provide  
76 for and regulate the weighing and measuring of hay, coal,  
77 lumber and other articles sold or kept and offered for sale  
78 within said city; to regulate the running and speed of engines  
79 and cars within said city; to organize one or more fire com-  
80 panies and provide the necessary apparatus, tools, implements,  
81 engines, or any of them for their use, and in their discretion  
82 to organize a paid fire department; to make regulations with

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83 respect to the erection and location of all pipes, conduits,  
84 telephone, telegraph, electric light or other poles within said  
85 city, and the extension of any wires, lines and poles by any  
86 individuals or corporations; to create by ordinances such com-  
87 mittees or boards, and delegate such authority thereto as may  
88 be deemed necessary or advisable; to provide for the annual  
89 assessment of the taxable property therein, including dogs  
90 kept in said city, and to provide a revenue for said city for  
91 municipal purposes, and to appropriate such revenue to its  
92 expenses, and generally to take such measures as may be  
93 deemed necessary or advisable to protect the property, public  
94 and private, within the city; to preserve and promote the  
95 health, safety, comfort and well-being of the inhabitants  
96 thereof.

97 The council of said city shall have power and authority to  
98 control and regulate the construction and repair of all houses  
99 and other buildings within the said city; to provide for the  
100 granting of building permits and to require the submission  
101 of plans and specifications for all buildings to be erected or  
102 repaired to the council for inspection, before issuing a permit  
103 therefor; to cause the removal of unsafe walls or buildings  
104 and to prohibit the erection on any designated street or part  
105 thereof, or in any designated square, of any building or ad-  
106 dition to any building, unless the outer walls thereof be made  
107 of brick and mortar or other fire-proof material; and to pro-  
108 vide for the removal of any building or addition which shall  
109 have been erected contrary to such prohibition, at the ex-  
110 pense of the owner or owners thereof; to provide for the re-  
111 moval of trees that become obstructions to sewers, sidewalks,  
112 streets and alleys of said city at the expense of the owners  
113 thereof, and to require permits to plant trees and to prohibit  
114 the planting of trees that in the opinion of the council will  
115 become detrimental to the sewers, streets, sidewalks or alleys  
116 of said city; to regulate and control by proper ordinances  
117 the kind and manner of all plumbing and electric wiring to  
118 be done in said city, and to provide for an inspection of same  
119 as well as that heretofore done and completed, and to require  
120 that all plumbing and wiring in said city be put in a sanitary  
121 and safe condition and to require permits and bonds from  
122 those engaged in plumbing or wiring houses and other build-  
123 ings in said city.

124 The council of said city shall have any and all additional  
125 power and authority granted to cities, towns and villages  
126 heretofore enacted or hereafter to be enacted by the legis-  
127 lature, under general statutes.

#### *Franchises*

Sec. 16. Franchises may be granted by the city council to  
2 persons or corporations allowing such occupancy of portions  
3 of the streets and alleys as may be necessary for works of  
4 public utility and service, but no such franchises shall here-  
5 after be granted except under the following restrictions and  
6 conditions: No ordinance shall be passed granting any fran-  
7 chise for the use of any of the streets or alleys of the city for  
8 any of the purposes above named, until the same shall have  
9 been filed with the clerk at least thirty days prior to the time  
10 when it is to be acted upon by the council, and notice of such  
11 application, stating the object of such franchise, and when the  
12 same will be considered by the council, shall be published  
13 thirty days prior thereto in some newspaper of general cir-  
14 culation published in the city.

15 Nor shall such franchise be granted within thirty days after  
16 the application has been filed, nor until an opportunity has  
17 been given any citizen or corporation interested in the granting  
18 or refusing of said franchise, to be heard.

19 Nor shall any franchise be hereafter granted by council for  
20 a longer period than fifty years; *provided*, that the council  
21 shall have the power to renew any such franchise for the term  
22 of fifty years when the same shall have expired. No fran-  
23 chise hereafter granted for a longer term than fifty years shall  
24 be of any force or validity. No grant of any such franchise  
25 shall be made without at the time of making it, provision be  
26 made that the grantee, its successors or assigns, shall indemnify  
27 the city against all damages caused by the construction of its  
28 works. Any corporation or person to whom a franchise has  
29 been heretofore or may hereafter be granted, or their successors  
30 or assigns, who shall fail to comply with the conditions of the  
31 ordinance granting such franchise within one year from the  
32 time said conditions are directed to be performed, shall forfeit  
33 all rights under said franchise and the same shall become null  
34 and void.

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Sec. 17. To carry into effect these enumerated powers and  
2 all others by this act or by general law conferred, or which  
3 may hereafter be conferred upon the said city or its council or  
4 any of its officers, the said council shall have and possess full  
5 authority to make, pass and adopt all needful ordinances, by-  
6 laws, orders and resolutions not repugnant to the constitution  
7 and laws of the United States or of this state; and to enforce  
8 any or all of such ordinances, by-laws, orders or resolutions by  
9 prescribing for a violation thereof fines and penalties and im-  
10 prisonment in either the county jail of Marshall county, or the  
11 city prison, if there be one; but no fine shall exceed one hun-  
12 dred dollars, and no term of imprisonment shall exceed ninety  
13 days. Such fines and penalties shall be imposed and recovered,  
14 and such imprisonment inflicted and enforced by and under the  
15 judgment of the mayor of said city, or in case of absence or in-  
16 ability to act, of the clerk of said city, or in case of absence or  
17 inability to act of both of said officers, of one of the councilmen  
18 appointed to act for that purpose by the council.

Mayor

Sec. 18. The mayor shall be the chief executive officer of the  
2 city and shall see that the orders, by-laws, ordinances and regu-  
3 lations of the council thereof are faithfully executed; he shall  
4 be an *ex-officio* justice and conservator of the peace within the  
5 city and shall within the same have, possess and may exercise,  
6 all the powers and perform all the duties whether in civil or  
7 criminal proceedings, vested by law in a justice of the peace.  
8 Any summons, warrant or other process, issued by him, may  
9 be executed at any place within the county; he shall have power  
10 during the recess of the regular meetings of council to ap-  
11 point special police officers when he shall deem it necessary, and  
12 it shall be his duty to see that the peace and good order of the  
13 city are preserved, and that persons and property therein are  
14 protected; and to this end he may arrest and detain or cause  
15 the arrest and detention of all riotous and disorderly persons  
16 before taking other proceedings in the case; he shall from time  
17 to time recommend to the council such measures as he may deem  
18 needful for the welfare of the city; he shall not receive any  
19 money due or belonging to the state or corporation or to indi-  
20 viduals, unless and until he shall have given the bond and  
21 security of a justice of the peace required by chapter fifty of  
22 the code of West Virginia; and all the provisions of said chap-

23 ter relating to moneys received by justices shall apply to moneys  
24 received by him in like cases.

25 The mayor shall receive a salary of not less than three hun-  
26 dred nor more than five hundred dollars *per annum*; such salary  
27 shall be in lieu of the fees which would otherwise accrue to him  
28 in proceedings for the enforcement of ordinances, but all such  
29 fees shall be collected when practicable, and accounted for to  
30 the city, and he may tax such costs against any person or cor-  
31 poration found guilty of the violation of any ordinance of the  
32 city, as are provided to be taxed and recovered by justices of  
33 said county in criminal cases.

Sec. 19. The process in proceedings to enforce any ordinance  
2 prescribing a fine or imprisonment, or a fine and imprisonment,  
3 for the violation thereof, shall be a summons in the name of the  
4 City of Cameron as plaintiff, directed to the chief of police, to  
5 one of the regular police officers of the city, or to any constable  
6 of any district within the said city, requiring him to summon  
7 the person accused of such violation, and who shall thereafter  
8 be designated as defendant, to appear before the mayor at the  
9 time and place therein named to make answer to such accusa-  
10 tion and be dealt with according to law; such summons shall  
11 contain such statement of the facts alleged as will inform such  
12 person of the general nature of the offense against the city of  
13 which he stands charged, and except in cases of arrest upon  
14 view, shall be issued only upon the complaint, on oath, of some  
15 credible person. But the mayor for good cause appearing by  
16 endorsement of the summons, may order the person so accused  
17 to be forthwith apprehended and brought before him for a  
18 hearing of the charge. The clerk of said city, as well as the  
19 mayor shall have authority to receive any complaint in writing  
20 of the violation of any ordinance, and to sign and issue the  
21 proper summons based upon such complaint. The mayor shall  
22 have, possess and may exercise the power and authority be-  
23 longing to a justice under sections two hundred and twenty-  
24 four and two hundred and twenty-five of chapter fifty of the  
25 code of West Virginia, in summoning and enforcing the at-  
26 tendance and examination of witnesses, in punishing for con-  
27 tempt, in granting continuances, and in securing and enforcing  
28 the further attendance of the accused with a view to a trial or  
29 hearing. If any recognizance be taken for such further at-  
30 tendance, and is forfeited, the mayor may record the default,

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31 and an action be maintained in the name of the city, before the  
 32 mayor or any justice having jurisdiction, against the accused  
 33 and his sureties, if any, to recover the penalty thereof.

Sec. 20. The mayor shall have the power to issue an execu-  
 2 tion for any fine and costs assessed or imposed by him, for the  
 3 violation of any ordinance, or he may at the time of render-  
 4 ing judgment therefor, or at any time thereafter and before  
 5 satisfaction of such judgment, by his order in writing, require  
 6 the immediate payment thereof; and in default of such pay-  
 7 ment he may cause the person so in default to be apprehended  
 8 and brought before him, and commit him to the jail of Marshall  
 9 county or in his discretion to the prison of said city, if one  
 10 shall have been provided, until the fine and costs are fully paid;  
 11 but such imprisonment shall not exceed thirty days.

Sec. 21. The mayor shall, with the consent of council and  
 2 not otherwise, appoint one or more policemen, as the council  
 3 may determine. Each policeman appointed as prescribed by  
 4 this section shall, before entering upon the discharge of his  
 5 duties, execute a bond conditioned for the faithful performance  
 6 by him of the duties of his office and as is required by law, and  
 7 for the accounting for and paying over, as is required by law,  
 8 all the money which may come into his hands by virtue of his  
 9 office, with sureties satisfactory to the council, in a penalty  
 10 of not less than one hundred dollars nor more than five thou-  
 11 sand dollars, as the council may prescribe.

Sec. 22. In case a violation of any ordinance of said city is  
 2 committed in the presence, or within view of any of the police  
 3 officers, the offender may be forthwith apprehended and taken  
 4 before the mayor, and a complaint under oath, stating such  
 5 violation, there lodged and filed; and thereupon such offender  
 6 may be tried and dealt with according to law, without sum-  
 7 mons. Any of the police officers shall execute, within the  
 8 county of Marshall, when directed to him, any proper process  
 9 issued by the mayor in proceedings for the enforcement of ordi-  
 10 nances; and shall collect by levy of execution, or otherwise, and  
 11 duly account for, all fines assessed and costs imposed in such  
 12 proceedings. He shall also have all the rights and powers,  
 13 within said city, in regard to the arrest of persons, the collec-  
 14 tion of claims, and the execution and return of process, that  
 15 are or may be lawfully exercised by a constable of a district  
 16 within the same, and shall be entitled to the compensation

17 therefor; and he and his sureties shall be liable to all fines,  
18 penalties and forfeitures that a constable is liable, for any  
19 deviation of duty in office, to be recovered in the same manner,  
20 and in the same courts, that such fines, penalties and forfeitures  
21 are recovered against constables.

Sec. 23. A book well bound and indexed to be denominated  
2 the "docket," shall be kept in the office of the mayor, in which  
3 shall be noted each case brought or tried by him, together with  
4 the proceedings therein, including a statement of complaint, the  
5 summons, the return, the fact of appearance or non-appearance,  
6 the defense, the hearing, the judgment, the costs, and in case  
7 the judgment be one of conviction, the action taken to enforce  
8 the same; the record of such case shall be signed by the mayor  
9 or other person acting in his stead; and the original papers  
10 thereof, if no appeal be taken, shall be kept together and pre-  
11 served in his office.

#### *Appeal*

Sec. 24. In any case for the violation of an ordinance of the  
2 said city, in which there is a judgment by the mayor of im-  
3 prisonment, or for a fine of more than ten dollars, an appeal  
4 shall lie at the instance of the person against whom such judg-  
5 ment is rendered to the circuit court of Marshall county. Such  
6 appeal shall not be granted by the mayor unless, within ten  
7 days from the date of the judgment, such person shall enter  
8 into a recognizance, with security deemed sufficient, in a pen-  
9 alty double the amount of fine and costs, with condition that  
10 the person appealing will appear before the said court on the  
11 first day of the next term thereof, to answer for the offense  
12 against the city with which he stands charged, and not depart  
13 thence without leave of said court, and will perform and sat-  
14 isfy any judgment which may be rendered against him by the  
15 circuit court, on appeal. The provisions of chapter one hun-  
16 dred and sixty-two of the code of West Virginia, relating to  
17 recognizances in criminal cases, shall be applicable to the  
18 recognizance contemplated by this section, except where hereinafter  
19 otherwise provided; but any money recovered thereon or by  
20 virtue thereof shall inure to the said city.

Sec. 25. If such appeal be taken the mayor shall forthwith  
2 deliver to the clerk of said court the complaint in writing, if  
3 any, the summons, a transcript of the record including the

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4 judgment, the recognizance, and any other papers belonging  
5 to the case; and such clerk shall receive and file the same, and  
6 place the case upon the trial docket of the next succeeding term  
7 of said court, and said court shall proceed to try the same in  
8 its order.

See. 26. If the appellant be found guilty of a violation of  
2 the ordinance in question, whether upon a verdict of a jury  
3 or otherwise, the court shall ascertain by its judgment the fine  
4 or imprisonment or the fine and imprisonment to be paid or  
5 suffered by such defendant, having regard to the punishment  
6 prescribed by such ordinance, and shall include in any such  
7 judgment the costs incurred by said city, as well in the pro-  
8 ceedings before the mayor as those in court, including a fee  
9 to the attorney for the city of five dollars, and the fees, if  
10 any, of the jailor or keeper of the city prison, and the pro-  
11 ceedings to enforce the collection of any such fine and costs,  
12 as may be provided in sections ten, eleven and twelve of chapter  
13 thirty six of the code of West Virginia, except that the writ  
14 mentioned in the tenth section may be issued by the clerk upon  
15 the order of the mayor of the city, and the notice contemplated  
16 by the eleventh section shall be given to such officer.

See. 27. From all judgments by the mayor in cases other  
2 than for violations of ordinances, appeals shall be allowed as  
3 in similar cases before justices.

*Solicitor*

See. 28. It shall be the duty of the solicitor to prepare, when  
2 directed by council, all ordinances for said city, to represent  
3 the said city in all matters and proceedings in any court in  
4 which the said city is interested, and counsel the said council  
5 when requested; he shall receive as compensation for his serv-  
6 ices, such sum as may be fixed by the council.

*Health Officer*

See. 29. The health officer shall perform such duties as may  
2 be provided by any ordinance of said city or by resolution of  
3 the council, and shall receive a salary at the rate of not more  
4 than three hundred dollars per year. He shall receive no com-  
5 pensation from said city, other than the salary herein provided.

*Treasurer*

See. 30. The treasurer may be any citizen, a bank or trust  
2 company of said city, and shall be selected by council and may

3 hold office during the pleasure of the council. All money due  
4 the city shall be paid to the clerk, and be by the clerk depos-  
5 ited with the treasurer. The money deposited with the treas-  
6 urer shall be disbursed only upon orders drawn against the  
7 same, signed by the mayor and countersigned by the clerk. The  
8 treasurer shall receipt to the clerk for all money paid by him,  
9 and shall keep regular books of account, showing the amount  
10 of the several funds paid or deposited with the treasurer by  
11 said clerk, and shall make report to the council once a month  
12 or at such other times as the council may direct, showing the  
13 receipts and disbursements of the funds of the city, and the  
14 treasurer shall produce his books of account to the council or  
15 any committee of the same for inspection, upon the order of  
16 the council.

17 The treasurer shall give bond with security to be approved  
18 by the council, in a sum of not less than five thousand dollars  
19 with condition that the said treasurer shall account and pay  
20 over all money received for the account of said city, as may be  
21 directed by the council. The said treasurer shall receive such  
22 compensation as the council may fix, which shall not be more  
23 than two hundred dollars *per annum*. Any bank or trust com-  
24 pany of said city may act as treasurer of said city, and the  
25 same shall be liable for all money deposited therein.

#### *Street Commissioner*

Sec. 31. The street commissioner shall perform such duties  
2 as are now or may hereafter be imposed upon him by any  
3 ordinance of said city, and shall receive such compensation  
4 as may be fixed by the council.

#### *City Engineer*

Sec. 32. The city engineer shall be selected by the council,  
2 and shall hold office during the pleasure of the council; he shall  
3 perform such duties as may be required of him by the council  
4 or by ordinance, and his compensation therefor shall be fixed  
5 by the council.

#### *Lien for Taxes*

Sec. 33. There shall be a lien on real estate within said  
2 city for the city taxes assessed thereon, and for all fines and  
3 penalties assessed to or imposed upon the owners thereof, by  
4 the authorities of said city, from the time the same are as-  
5 sessed or imposed, which shall have the priority over all other

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6 liens, except the lien for taxes due the state, county and dis-  
7 trict; and which may be enforced by the council in the same  
8 manner provided by law for the enforcement of the lien for  
9 county taxes. If any real estate within said city be returned  
10 delinquent for the non-payment of the delinquent taxes thereon,  
11 a copy of such delinquent list may be certified by the council  
12 to the auditor, and the same may be sold for the city taxes,  
13 interest and commission thereon, in the same manner, at the  
14 same time and by the same officer as real estate is sold for non-  
15 payment of state taxes.

Sec. 34. The council shall have the authority to require a  
2 city license as follows: for anything to be done, carried on or  
3 exhibited in the city, for which a state license is now or may  
4 hereafter be required, for the keeping of hacks, carriages, carts,  
5 wagons, automobiles and other vehicles for hire within the  
6 city, and for keeping of dogs within the city, and the council  
7 may provide for the killing of all dogs, the keeping of which  
8 is not so licensed. And upon all such licenses the council may  
9 impose a reasonable tax for the use of the city.

Sec. 35. The council shall prescribe by ordinance the man-  
2 ner in which licenses of all kinds may be applied for and  
3 granted, and shall require the payment of the tax thereon to  
4 be made to the clerk of said city before delivery to the person  
5 applying therefor, and the provisions of section forty one of  
6 chapter thirty-six of the acts of one thousand nine hundred  
7 and five, and the provisions of section forty of chapter eighty-  
8 two of the acts of one thousand nine hundred and seven, extra  
9 session, of the legislature of West Virginia, relating to licenses,  
10 shall govern the city in the granting of licenses similar in  
11 character to those therein mentioned, except where otherwise  
12 herein provided. Licenses for keeping dogs shall also expire  
13 on the thirtieth day of June next after they are granted, and  
14 all other licenses may be for such time as the council may de-  
15 termine.

Sec. 36. The council shall have the right to institute pro-  
2 ceedings in the name of the city for the condemnation of real  
3 estate for streets, alleys, avenues, sewers, drains, market  
4 grounds, city prison, or other work or purpose of public utility;  
5 such proceedings shall conform to the provisions of chapter  
6 forty-two of the code of West Virginia, and costs thereof shall

7. be borne by the city, except that in contests involving a hearing  
8 in the circuit court, costs shall be recovered by the prevailing  
9 party.

*Clerk*

Sec. 37. It shall be the duty of the city clerk to keep a  
2 journal of the proceedings of the council and have charge of  
3 and preserve the records, papers, contracts and other docu-  
4 ments belonging to the city; it shall be his duty to attend the  
5 sessions of the police court and keep an accurate record of its  
6 proceedings, and all judgments shall be entered by him within  
7 twenty-four hours after the same are rendered; he shall, in  
8 case of sickness or disability of the mayor to act, or in case  
9 of his absence from the city or during any vacancy in the  
10 office of the mayor, perform the duties of mayor, and shall be  
11 vested with all the powers necessary for the performance of  
12 such duties; he shall also perform such other duties pertaining  
13 to the fiscal affairs of the city, or otherwise, as may be re-  
14 quired of him by this act or by the council.

15 The officer whose duty it is to make out the land books for  
16 Marshall county shall, annually, at such compensation as may  
17 be agreed upon with council, not later than the fifth day of  
18 August, furnish to the clerk, showing in separate amounts  
19 the aggregate value of all personal property and the aggre-  
20 gate value of all the real estate in the city, as ascertained  
21 from the land and personal property books of said county  
22 for the current year; upon receiving said statement the clerk  
23 shall present the same to council at a meeting to be held not  
24 later than the second Tuesday in August, for the purpose of  
25 determining the rate of levy in the said city for the current  
26 year; as soon as the rate of levy shall have been fixed by  
27 council, the clerk shall furnish the officer whose duty it is to  
28 make out the land and personal property books, a certified  
29 copy of the order of the council, fixing the rate of tax, and  
30 such officer shall thereupon extend the tax against the prop-  
31 erty situated in the city in the land and personal property  
32 books in separate columns in said books.

33 The clerk shall, when the extended copies of the assessor's  
34 books are completed and returned to the clerk of the county  
35 court, have access to the same for the purpose of making out  
36 the tax tickets of the taxes therein extended, and it shall be

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37 the duty of the clerk to make out all tax tickets, and when  
38 the same have been examined, compared and approved by the  
39 financial committee of the council and found to be correct,  
40 they shall be turned over to the clerk not later than the tenth  
41 day of September following the levy, whose receipt shall be  
42 returned to the council and entered upon its record, and the  
43 clerk shall be charged therewith.

44 The clerk shall give notice that said tax tickets are in his  
45 hands for collection, stating the penalty for non-payment  
46 thereof, and the time and place where the same may be paid,  
47 which notice shall be published for fifteen days in one or more  
48 newspapers published in said city.

49 To all persons who shall pay their taxes in full before the  
50 first day of December next succeeding the said levy, there  
51 shall be allowed a discount of two and one-half *per centum*  
52 on the whole amount of the taxes so paid, and not otherwise.  
53 The clerk shall immediately proceed to collect from the  
54 persons by distraint or otherwise the entire amount of the  
55 taxes with which they are severally charged therein, and re-  
56 maining unpaid on the first day of January next succeeding  
57 said levy, with interest at the rate of one *per centum* per  
58 month from said first day of January until they are fully  
59 paid.

60 All license taxes shall be payable on the first day of July  
61 of each year, or at such time as such license may be issued.

62 The said clerk shall receive all taxes, assessments, fines and  
63 costs and other money due the city authorized by this act, or  
64 by any ordinance of said city, to be paid to the city, and shall  
65 receipt for same; he shall keep an accurate account of all  
66 money paid to him for the use of said city, showing under  
67 separate accounts the amounts received for account of taxes,  
68 sewer purposes, street pavement, licenses, fines and costs and  
69 of other matters pertaining to his office, which shall at all  
70 times be open to the inspection of the council or to any com-  
71 mittee appointed by it for such purpose; he shall pay over  
72 promptly all money which he may receive, within five days  
73 after the receipt thereof into the hands of the treasurer of  
74 said city, showing an itemized statement of the several funds  
75 included in said payment, taking the treasurer's receipt there-  
76 for; he shall keep his office at the office of the mayor, unless

77 otherwise ordered by the council, and shall keep his office  
78 open for the transaction of business during usual business  
79 hours, and as may be directed by council; he shall on or be-  
80 fore the first day of January and July of each year and more  
81 often if directed by council, present to the council a full, com-  
82 plete and detailed statement of all money with which he is  
83 chargeable, or that has been received by him from all sources  
84 up to that time together with a statement of all money paid  
85 to the treasurer, and proper receipts therefor, and he shall  
86 at such times return a list of all taxes, levies, assessments  
87 and other claims in his hands for collection which he has not  
88 been able to collect by reason of insolvency, removal, or other  
89 cause, to which list he shall append an affidavit that he has  
90 used due diligence to collect the several items therein men-  
91 tioned, but has been unable to do so, and if the council should  
92 be satisfied as to the correctness of said list, it shall allow  
93 him a credit for said claims, but may thereafter take such  
94 lawful measures to collect the same as shall be by it pre-  
95 scribed. The said clerk shall receive all taxes on licenses,  
96 and receipt to the party paying the same by endorsement upon  
97 the permit granted by order of the council and shall charge  
98 him-self with the amount received from the same, and report  
99 to the council at the next regular meeting thereafter the  
100 amount so received, and pay the same over to the treasurer,  
101 taking his receipt for the same; he shall, upon the expiration  
102 of his term of office, or upon the order of council, turn over  
103 to his successor all money, books of account and other prop-  
104 erty of said city in his possession; he shall receive such salary  
105 as may be fixed by the council, which shall not be less than  
106 at the rate of six hundred dollars, nor more than one thou-  
107 sand dollars *per annum*.

108 The clerk of said city, before entering upon the discharge  
109 of his duties, shall execute a bond conditioned for the faith-  
110 ful performance of his duties in office and for the accounting  
111 for and paying over, as required by law, all money which  
112 may come into his hands by virtue of his office, with sureties  
113 satisfactory to the council, payable to the City of Cameron,  
114 in a penalty of not less than five thousand nor more than  
115 ten thousand dollars, as the council may prescribe; he shall be  
116 custodian of all bonds, notes, certificates and other evidence

117 of indebtedness to the city, together with all valuable papers  
118 which may be placed in his possession by the council, except  
119 that the bond of the clerk shall be deposited with the mayor;  
120 he shall be chargeable with, and it shall be his duty to col-  
121 lect, the city taxes, levies and assessments under such regu-  
122 lations as may be prescribed by law and the ordinances of  
123 the city, and in case the same are not paid within one month  
124 after they are placed in his hands for collection, he may dis-  
125 train and sell therefor in like manner and have the same  
126 power and authority possessed by the officer charged with the  
127 duty of collecting state taxes.

128 If the clerk shall fail to collect, account for and pay over  
129 to the treasurer of said city any or all of the money with  
130 which he may be chargeable, belonging to said city, according  
131 to the conditions of his bond and orders of council, it shall be  
132 lawful for the council to recover the same by action or mo-  
133 tion, upon ten days' notice in the corporate name of the city,  
134 in the circuit court of Marshall county, against him and his  
135 sureties, or any or either of them, or his or their executors or  
136 administrators.

#### *Sidewalks*

Sec. 38. After having caused a proper grade to be estab-  
2 lished at the expense of the city, the council may require side-  
3 walks or footways on the streets, avenues or alleys of the said  
4 city to be paved with brick, concrete or such other suitable ma-  
5 terial as the council may determine, under the direction of the  
6 street commissioner, by the owners respectively of the lots, or  
7 the fractional parts of lots, facing or abutting on such side-  
8 walks or footways, and if the owner of any such sidewalk or  
9 footway, or of the real property next adjacent thereto, shall  
10 fail or refuse to pave the same in the manner or within the time  
11 required by the council, it shall be the duty of the council to  
12 cause the same to be done at the expense of the city, and to  
13 assess the amount of such expense upon such owner, and the  
14 clerk shall notify the owner of such lot the amount of such  
15 assessment, and if the said assessment be not paid within thirty  
16 days from the date of said notice, he shall cause a memorandum  
17 showing the name of the owner of said lot, a description of the  
18 lot and the amount of such assessment, to be filed in the office  
19 of the clerk, of the county court of Marshall county, which shall  
20 be entered of record in the judgment lien docket in his office,

21 and the same shall constitute a lien on such property, which  
22 may be enforced by a suit in the name of the city, in the circuit  
23 court of Marshall county, as other liens against real estate are  
24 enforced, and upon the payment of said assessment the clerk  
25 shall issue to the person entitled thereto a release of said lien;  
26 *provided, however,* that reasonable notice shall first be given to  
27 said owners that they are required to construct such sidewalks  
28 or footways, and in case the owner is a non-resident of the  
29 state, the notice aforesaid may be given by publication for four  
30 successive weeks in a newspaper published in said city. The  
31 provisions of this section shall also apply to needed repairs to  
32 any of the pavements of the city, and to the substitution of new  
33 pavements for any which may have heretofore, or which may  
34 be hereafter laid, and completed, and which may be deemed  
35 insufficient.

#### *Street Paving*

Sec. 39. The council shall have the authority to provide that  
1 any street, avenue or alley or any portion thereof, between the  
2 curbstones, shall be macadamized, paved, repaved or resurfaced  
3 with brick, concrete, asphalt, or other suitable material, upon  
4 the lowest and best terms obtainable, after advertisement for  
5 the work in one or more newspapers in the city, for bids and  
6 proposals for the work; and two thirds of the cost of such  
7 macadamizing, paving, repaving or resurfacing, from curb to  
8 curb of such street, avenue or alley, shall be assessed to the  
9 owners of lots, or fractional parts of lots, fronting or abutting  
10 on such street, avenue or alley, that is to say: The property  
11 owners on each side of said street, avenue or alley to be assessed  
12 one third of the cost of said improvements, to each property  
13 owner a sum proportionate to the distance, or extent in feet by  
14 him owned, and one-third of the sum so assessed shall be paid  
15 by each property owner to the city within thirty days after the  
16 completion of the work, and the remainder in two equal in-  
17 stalments in six and twelve months thereafter, with interest  
18 thereon at the rate of six *per centum per annum*, or at such  
19 other times as the council may prescribe. The remaining one-  
20 third of such expense, as well as the expense of improving the  
21 intersections of streets, avenues or alleys, shall be defrayed by  
22 the city. The council shall cause a notice to be published for  
23 one week in a newspaper of said city, showing the owners of the  
24 property and the number of feet fronting on said improvements,  
25

26 as well as the time and place where the said council will pro-  
27 ceed to fix said assessments as above provided, and giving notice  
28 to any person having an interest in said property to appear and  
29 show cause, if any they can, why such assessment should not be  
30 made; and the council may, in making said assessments, con-  
31 sider the petition of any person or corporation relative to the  
32 inequality of said assessment, and may equalize and adjust the  
33 same. The assessment to be made to any owner of real estate  
34 shall constitute a lien on such estate; and like proceedings may  
35 be had and taken to enforce such lien, or to recover from such  
36 owner the amount of such assessment, or of any installment  
37 thereof, as those provided for in the preceding section providing  
38 for the laying of sidewalks. The council of said city may cause  
39 an additional annual levy of fifteen cents on the one hundred  
40 dollars of the ascertained value of all the real and personal  
41 property within said city, or subject to taxation, for the pur-  
42 pose only of defraying the expense of paving the streets, ave-  
43 nues and alleys of said city as herein provided; such levy may  
44 be made at the time the general levy is laid, and shall be col-  
45 lected in like manner, but a separate account shall be kept of  
46 the receipts and expenditures of such fund.

#### *Levy*

Sec. 40. The council shall cause to be made up annually,  
1 and spread upon its minute book, an accurate estimate of all  
2 sums which are or may become lawfully chargeable against the  
3 city, and which ought to be paid within one year, and it shall  
4 order at a meeting held by it in the month of August in each  
5 year, as provided by law, a levy of so much as will, in its judg-  
6 ment, be necessary to pay the same; such levy shall be upon all  
7 real and personal property otherwise subject to state and  
8 county taxes, and an annual capitation tax of one dollar upon  
9 each inhabitant of said city who has attained the age of  
10 twenty-one years; *provided*, that such levy shall not exceed  
11 the amount prescribed by statute law on every one hundred  
12 dollars of the ascertained value of such property, except as  
13 herein otherwise provided.

#### *Financial Statement*

Sec. 41. In the month of March of each year the council  
1 shall cause to be published in a newspaper in the city, if there  
2 be such published therein, at a compensation not to exceed the  
3 rate as provided by law for like publications, for one issue, or

5 if no such newspaper be published therein, to publish in pamph-  
6 let form not less than one hundred copies of a sworn statement  
7 of the financial condition of said corporation; said statement  
8 shall contain an itemized account of the receipts and expendi-  
9 tures of the city, showing the source from which all the money  
10 was derived, and the name of the person to whom an order was  
11 issued, together with the amount of each order, and why such  
12 order was issued, arranging the same under distinct heads, and  
13 also a specific list of the debts of the city, showing the purpose  
14 for which any debt was contracted, the time it becomes due, the  
15 rate of interest, up to what time the interest thereon has been  
16 paid, the amount of money in the treasury at the end of the  
17 preceding administration, and the debts contracted by it; such  
18 statement shall be prepared by the city every twelve months  
19 and then shall be printed according to the provisions of this  
20 section. Either method of making this report shall be sworn to  
21 by the clerk, by the mayor and members of the finance com-  
22 mittee of the council. One copy of such printed report shall  
23 be delivered to the judge of the circuit court, one to the clerk  
24 of the county court, and one to the clerk of the circuit court of  
25 Marshall county, and one shall be kept as a part of the records  
26 of the city, and the remainder shall be held for distribution as  
27 called for by the taxpayers of the city.

28 If council fail or refuse to perform the duties herein named,  
29 every member of such council and the clerk thereof concurring  
30 in such failure or refusal shall be guilty of a misdemeanor, and  
31 upon conviction thereof shall be fined not less than ten dollars  
32 nor more than one hundred dollars.

See. 42. The municipal authorities of said city shall have the  
2 power and authority to issue and make sale of the bonds of the  
3 said city and to apply the proceeds to the payment for any gen-  
4 eral improvement therein, or to any debt or obligation of the  
5 said city, as may be now or hereafter provided by general law,  
6 or may submit to the voters of said city the question of making  
7 an additional levy, and if three fifths of the votes cast thereon  
8 be in favor of such increased levy, the council shall levy the  
9 same.

See. 43. The City of Cameron shall succeed to all the rights,  
2 powers and responsibilities, and be vested with title to all prop-  
3 erty of the Town of Cameron and the City of Cameron as hereto-  
4 fore existing and all officers of said city acting as such at the

5 time this act takes effect shall continue to so act until their  
6 successors are elected and qualified in the manner provided in  
7 section six of this act, and such ordinances as are in force and  
8 effect at such time shall continue in full operation until amended,  
9 repealed or superseded by action of the council of said city.

Sec. 14. The council shall have the power to combine the  
2 offices of clerk, chief of police, street commissioner and such  
3 other offices as the council may determine, into one office to be  
4 administered by one person to be designated as city manager,  
5 and who shall be appointed by the council to serve during its  
6 will and pleasure, and who may be appointed from within or  
7 without the city and shall receive a salary not to exceed two  
8 thousand dollars *per annum*.

Sec. 15. Chapter sixty-eight of the acts of the legislature of  
2 the year one thousand nine hundred and twenty-three, relating  
3 to the charter of the City of Cameron in Marshall county, and  
4 all other acts or parts of acts, coming within the purview of this  
5 act, and inconsistent herewith, are hereby repealed.

## CHAPTER 11

(House Bill No. 34 - Mr. Massie.)

AN ACT to amend and re-enact section twenty-eight of chapter  
seventy-two of the acts of the legislature of nineteen hundred  
and twenty-three, relating to the charter of the city of Prince-  
ton, in the county of Mercer.

[Passed April 22, 1927. In effect from passage. Became a law without the  
approval of the Governor.]

Sec.  
28. General powers of council.

*Be it enacted by the Legislature of West Virginia:*

That section twenty-eight of chapter seventy-two of the acts of  
the legislature of one thousand nine hundred and twenty-three re-  
lating to the charter of the City of Princeton, be amended and re-  
enacted so as to read as follows:

Section 28. The council of said city shall have power to lay  
2 off, vacate, close, open, alter, grade, improve and keep in  
3 good repair the roads and streets, alleys, pavements, sidewalks,



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

The City of Cameron, s. s.:

I, Sandra Kennedy do solemnly swear  
that I will support the Constitution of the United States and the Con-  
stitution of the State of West Virginia and that I will faithfully perform  
the duties of Second Ward Councilperson in and  
for the City of Cameron, Marshall County, West Virginia according to  
the best of my judgment and ability, so help me <sup>n</sup> God.

Sandra Kennedy

Subscribed and sworn to before me by above named.

this 28th day of Jan, 19 98

*Wet: Mary J. Snowbird*

*Judy Hunt, City Clerk*

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

The City of Cameron, s. s.:

I, Brian Marling do solemnly swear  
that I will support the Constitution of the United States and the Con-  
stitution of the State of West Virginia and that I will faithfully perform  
the duties of First Ward Councilperson in and  
for the City of Cameron, Marshall County, West Virginia according to  
the best of my judgment and ability, so help me God.

Brian Marling

Subscribed and sworn to before me by above named.

this 28th day of Jan, 19 98

*Wet: Mary J. Snowbird*

*Judy Hunt, City Clerk*



# STATE OF WEST VIRGINIA COUNTY OF MARSHALL, TO-WIT:

The City of Cameron, s. s.:

I, Judy Hunt do solemnly swear  
that I will support the Constitution of the United States and the Con-  
stitution of the State of West Virginia and that I will faithfully perform  
the duties of City Clerk in and  
for the City of Cameron, Marshall County, West Virginia according to  
the best of my judgment and ability, so help me God.

Judy Hunt

Subscribed and sworn to before me by above named.

this 20th day of January, 19 2000

X Thomas Steen



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

The City of Cameron, s. s.:

I, Larry Hartley do solemnly swear  
that I will support the Constitution of the United States and the Con-  
stitution of the State of West Virginia and that I will faithfully perform  
the duties of Second Ward Councilperson in and  
for the City of Cameron, Marshall County, West Virginia according to  
the best of my judgment and ability, so help me God.

Larry O. Hartley

Subscribed and sworn to before me by above named.

this 28th day of January, 2000

Judy Hunt, City Clerk

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

The City of Cameron, s. s.:

I, Thomas Stern do solemnly swear  
that I will support the Constitution of the United States and the Con-  
stitution of the State of West Virginia and that I will faithfully perform  
the duties of Mayor in and  
for the City of Cameron, Marshall County, West Virginia according to  
the best of my judgment and ability, so help me God.

Thomas Stern

Subscribed and sworn to before me by above named.

this 28th day of January, 2000

Judy Hunt, City Clerk

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

The City of Cameron, s. s.:

I, Sharon Galentine do solemnly swear  
that I will support the Constitution of the United States and the Con-  
stitution of the State of West Virginia and that I will faithfully perform  
the duties of Third Ward Councilperson in and  
for the City of Cameron, Marshall County, West Virginia according to  
the best of my judgment and ability, so help me God.

Sharon Galentine

Subscribed and sworn to before me by above named.

this 28th day of January, ~~200~~ 2000

Judy Hunt, City Clerk

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

The City of Cameron, s. s.:

I, Margaret Francis do solemnly swear  
that I will support the Constitution of the United States and the Con-  
stitution of the State of West Virginia and that I will faithfully perform  
the duties of First Ward Councilperson in and  
for the City of Cameron, Marshall County, West Virginia according to  
the best of my judgment and ability, so help me God.

Margaret Francis

Subscribed and sworn to before me by above named.

this 28th day of January, ~~200~~ 2000

Judy Hunt, City Clerk



CITY OF CAMERON

ORDINANCE CREATING A SANITARY BOARD  
OF THE CITY OF CAMERON

WHEREAS, the City of Cameron (the "City") now contemplates the issuance of its sewer revenue bonds to finance the design, acquisition, construction and equipping of a sanitary sewerage system, and future additions, extensions and improvements thereto (the "System"), pursuant to Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act"); and

WHEREAS, the Act requires that a sanitary board be established in connection with the issuance of sewer revenue bonds, as aforesaid, and in connection with the custody, administration, operation and maintenance of such a sewer system by a municipal corporation;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF CAMERON AS FOLLOWS:

Section 1. The Council of the City (the "Council") does hereby create and establish a Sanitary Board (the "Sanitary Board" or "Board"), with all powers and duties as provided in and pursuant to the Act.

Section 2. Composition; Chairman; Appointment of Members. The Sanitary Board shall be composed of the Mayor of the City, who shall act as Chairman of the Sanitary Board, and two persons appointed by the Council, one of whom, during the period of construction of the System or any additions thereto must be a registered professional engineer. The engineer member of the Board need not be a resident of said municipality. After the construction of the System has been completed, the engineer may be succeeded by a person not an engineer. The appointees shall originally be appointed for terms of 2 and 3 years respectively, and upon the expiration of each such term and each succeeding term, appointment of a successor shall be made in like manner for a term of 3 years. Vacancies shall be filled for an unexpired term in the same manner as the original appointment. No officer or employee of the City, whether holding a paid or unpaid office, shall be eligible to appointment on the Sanitary Board until at least 1 year after the expiration of the term of his public office.

Section 3. Organizational Meetings; Vice Chairman, Secretary, Treasurer; Official Bonds. As soon as may be practicable following the appointment of a new member of the Sanitary Board, the Board shall hold an organizational meeting and choose a vice chairman from among its members, and a secretary and treasurer, who may be one person

and need not be a Board member, and such officers shall hold office at the will of the Board. No bond shall be required of the Board members as such, but the treasurer, whether a member of the Board or not, shall give bond as required under Section 9 hereof.

Section 4. Compensation and Expenses of Board Members. The members of the Sanitary Board shall receive such compensation, if any, for their services, either as a salary or as payments for meetings attended, as the Council may from time to time determine, and shall be entitled to payment for their reasonable expenses incurred in the performance of their duties. Any such compensation and expenses shall be paid solely from funds derived from the System, but there shall be no liability upon the City for any compensation or expenses so incurred.

Section 5. Powers, Duties and Limitations. A. The Sanitary Board shall have the supervision and control of the custody, administration, operation and maintenance of any and all works for the collection, treatment and disposal of sewage, which are now owned or may hereafter be acquired by the City.

B. The Sanitary Board shall have power to take all steps and proceedings and to make and enter into all contracts or agreements necessary or incidental to the performance of its duties and the execution of the powers granted to such Board by the Act, as the same now exists and may hereafter be amended; but the powers of the Sanitary Board shall be subject to all restrictions and limitations contained in the Act as the same now exists or may hereafter be amended.

C. The Sanitary Board may employ engineers, architects, inspectors, superintendents, managers, collectors, attorneys and such other personnel as in its judgment may be necessary in the execution of its powers and duties, and may fix their compensation, all of whom shall do such work as the Board shall direct. All such compensation and all expenses incurred in carrying out the provisions of the Act shall be paid solely and only from funds provided under the authority of the Act, and the Board shall not exercise or carry out any authority or power given it so as to bind the Board or the City beyond the extent to which money shall have been or may be provided under the authority of the Act. No contract or agreement with any contractor or contractors for labor and/or material exceeding the sum of \$5,000 shall be made without advertising for bids, which bids shall be publicly opened and award made to the best bidder, with power in the Board to reject any and all bids.

D. The construction, acquisition, improvement, equipment, custody, operation and maintenance of any such works for the collection, treatment or disposal of sewage and the collection of revenues therefrom for the service rendered thereby shall be under the supervision and control of the Sanitary Board.

E. After the construction, acquisition, installation and completion of such works, the Sanitary Board shall operate, manage and control the same and may order and

complete any extensions, betterments and improvements of and to the works that the Board may deem expedient if funds therefor be available or made available as provided by the Act, and shall establish rules and regulations for the use and operation of the works and of other sewers and drains connected therewith so far as they may affect the operation of such works, and to do all things necessary or expedient for the successful operation thereof, and the Board shall have in addition hereto any and all powers granted to it by the Act, or which may be granted to it by amendments to the Act, hereafter made, subject to any and all restrictions and limitations therein contained.

**Section 6. Duty of Board to Restore Property Damaged by its Activities.** All public ways or public works damaged or destroyed by the Sanitary Board in carrying out its authority under this ordinance and the Act shall be restored or repaired by the Board and placed in their original condition, as nearly as practicable, if requested so to do by the proper authorities, out of the funds provided by the Act.

**Section 7. Publication of Financial Statement.** The Sanitary Board shall prepare a financial statement and cause it to be published as a Class I legal advertisement in compliance with the provisions of Chapter 59, Article 3 of the West Virginia Code of 1931, as amended, and the publication area for such publication shall be the sanitary district. Such statement shall contain an itemized account of the receipts and expenditures of the Board during the previous fiscal year, showing the source from which all money was derived, and the name of the person to whom an order was issued, together with the amount of such order, and why such order was issued, arranging the same under distinct heads, and including all money received and expended from the sale of bonds, and also a specific statement of the debts of such Board, showing the purpose for which any debt was contracted, the amount of money in all funds at the end of the preceding year, and the amount of uncollected service charges. Such statement shall be prepared and published by the Board as soon as practicable after the close of the fiscal year. The statement shall be sworn to by the chairman and secretary and treasurer of the Board.

**Section 8. Procedure for Disbursement of Funds.** All funds under the supervision of the Sanitary Board shall be disbursed, as disbursements are required, by check drawn upon the proper fund or account, and such checks shall be properly signed by the authorized officer or agent of the Board. All such disbursements shall be approved by the Board.

Section 9. Fidelity Bonds. The Sanitary Board shall require all persons who collect or otherwise handle funds of the Board or the System to furnish a good and proper bond, with a recognized and reputable surety, conditioned upon the faithful performance of their duties and for the proper handling and care of said funds in their hands. Such bond shall be in an amount equal to the sum of money which might at any one time be in the hands of such person or persons.

Section 10. Conflicting Provisions Repealed. All ordinances, resolutions, indentures or orders, or parts thereof, in conflict with the provision of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 11. Effective Date. This Ordinance shall take effect immediately following the second reading hereon.

Passed on First Reading:

November 3, 1997

Passed on Second Reading:

November 17, 1997

  
\_\_\_\_\_  
Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF CAMERON on the 17th day of November, 1997.

Dated: November 17, 1997.

[SEAL]

City Clerk

A handwritten signature in cursive script, appearing to read "Judge L. A. Neal", is written over a horizontal line. The signature is written in black ink and is positioned to the right of the printed text "City Clerk".

10/13/97  
123610/97001



CITY OF CAMERON

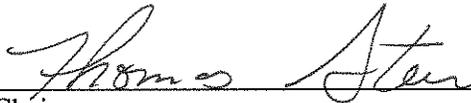
Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

PETITION OF SANITARY BOARD

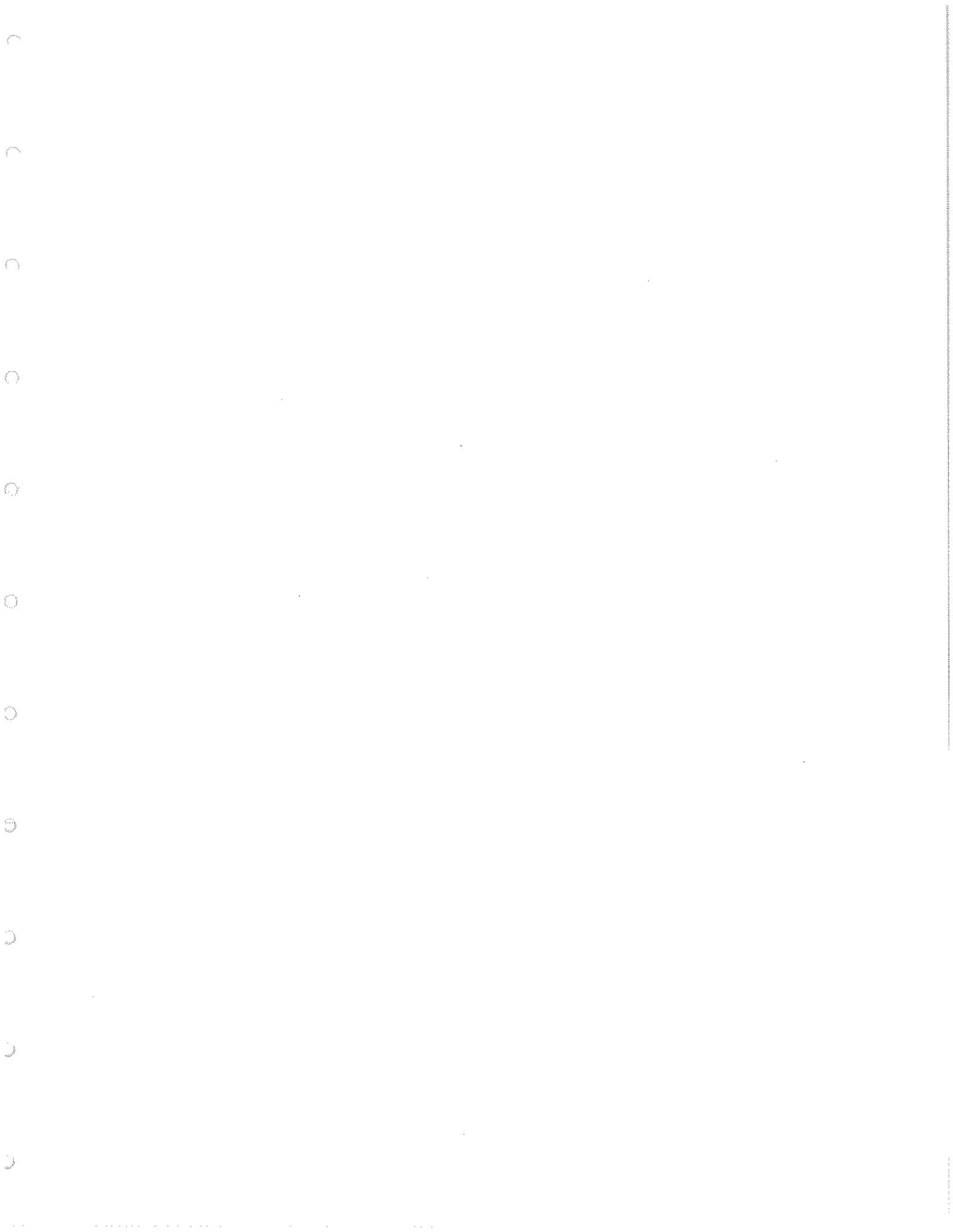
The Sanitary Board of the City of Cameron (the "City") hereby petitions the Council of the City to enact an ordinance directing that sewer revenue bonds of the City be issued pursuant to the provisions of Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended, such bonds to be in an amount not to exceed \$2,700,000, for the purpose of financing certain additions, betterments and improvements to the existing public sewerage system of the City, together with all necessary appurtenances, and the costs of issuance and related costs.

Directed this 22nd day of May, 2000.

CITY OF CAMERON SANITARY BOARD

  
\_\_\_\_\_  
Chairman

05/18/00  
123610/99001



CITY OF CAMERON

AN ORDINANCE SETTING FORTH SEWER RATES, CONNECTION CHARGE, RECONNECTION CHARGE AND DELAYED PAYMENT PENALTY FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF CAMERON SANITARY BOARD

THE COUNCIL OF THE CITY OF CAMERON HEREBY ORDAINS: The following schedule of sewer rates, connection charge, reconnection charge and delayed payment penalty are hereby fixed and determined as the sewer rates, connection charged, reconnection charge and delayed payment penalty to be charge to customers of the sewerage system of the City of Cameron Sanitary Board:

Applicability

Applicable to entire area served.

Availability

Available for general domestic, commercial, industrial, and resale service.

Rate (Based upon metered volume of water supplied)

First	2,000 gallons used per month	\$24.30 (Minimum Bill)
Next	4,000 gallons used per month	3.58 per 1,000 gallons
Next	4,000 gallons used per month	3.20 per 1,000 gallons
Next	10,000 gallons used per month	2.94 per 1,000 gallons
Over	20,000 gallons used per month	1.92 per 1,000 gallons

Minimum Bill

No bill will be rendered for less than the following amount: \$24.30 per month

Multiple-Occupancy

Apartment buildings and other multiple-occupancy buildings shall be required to pay not less than the monthly Minimum Bill for each unit. Hotels and motels shall be exempt from this multiple-occupancy charge.

House trailer or mobile home courts served through a single meter shall be required to pay the monthly Minimum Bill multiplied by the number of units in place at the time the meter is read each month.

Unmetered/Unmeasured Rate

\$33.25 per month

In the event the water supply is unmetered or otherwise unmeasurable, the unmetered rate shall be charged. (Based on 4,500 gallons used per month)

Delayed Payment Penalty

The above rates are net. On all current usage billings not paid in full within thirty (30) days of the billing date, ten percent (10%) penalty may 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.

Sewer Connection Charge (Tap Fee)

\$250.00

The charge for making each service connection shall be \$250.00. This fee is to pay the costs of constructing the connection. The costs of any necessary extension shall be subject to Public Service Commission Rules and Regulations in effect as of the date of application.

The City shall have no obligation to acquire by condemnation or otherwise additional rights of way or easements necessary for extension of lines, which shall be provided by applicant upon terms and conditions approved by the City.

Reconnection Service Charge

\$25.00

There shall be a reconnection charge paid prior to restoration of water service previously disconnected for non-payment of sewer charges.

Returned Checks for Insufficient Funds

If a check received is returned by the bank for any reason, the bank's charge to the Sanitary Board shall be the Board's charge to the customer for such a bad check, but such charge to the customer shall not exceed \$15.00.

Incremental Cost

\$2.79 Per 1,000 Gallons

Rate per 1,000 Gallons to be used to bill customer leaks in excess of beyond historical average usage.

SECTION 2. EFFECTIVE DATE

The rate charges and delayed payment penalty provided herein shall become effective January 1, 2000.

SECTION 3. SEPARABILITY; REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are separable, and if any clause, provision or section hereof shall be held void or unenforceable by 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

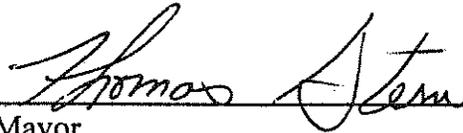
Upon introduction hereof, the Recorder shall publish a copy of this Ordinance once a week for two (2) successive weeks within a period of fourteen (14) consecutive days, with at least six (6) days between each publication, in a qualified newspaper of general circulation in the City of Cameron, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council Chambers, Cameron, West Virginia, on the 7th day of June, 1999, at 7:30 p.m., which date is not less than ten days after the date of the first 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 City Clerk, Cameron, West Virginia.

Passed on First Reading: May 17, 1999

Passed on Second Reading: June 7, 1999

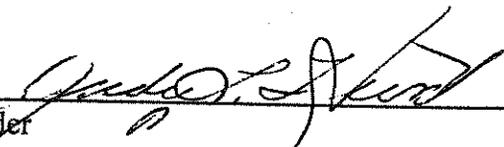
Publish Date: May 18, 1999

Publish Date: May 26, 1999

  
\_\_\_\_\_  
Mayor

CERTIFICATION AND NOTICE

The foregoing Ordinance was introduced and adopted on first reading at a meeting of the Council held on May 17, 1999. Any person interested may appear before the Council of the City of Cameron, Cameron, West Virginia, on the 7th day of June, 1999, at 7:30 p.m., being the date, time and place of the proposed final adoption of this Ordinance, and be heard with respect thereto. The Council will then take such action as it shall deem proper. The proposed Ordinance may be inspected by the public at the office of the City Clerk, Cameron, West Virginia.

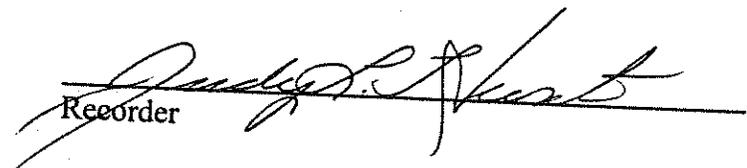
  
Recorder

CERTIFICATION

Certified as a true copy of an Ordinance duly enacted by the Council of the City  
of Cameron on the 7<sup>th</sup> day of June, 1999.

Dated: 6/7, 1999.

[SEAL]

  
Recorder

**STATE OF WEST VIRGINIA, COUNTY OF MARSHALL, CITY OF CAMERON, REGULAR SESSION JUNE 7, 1999**

The City Council of the City of Cameron met in Regular Session on June 7, 1999 in the council chambers of the Benedum Community Building. Mayor Thomas Stern called the meeting to order at 7:30 p.m. City Clerk Judy Hunt called the roll call and the following council members were present: Galentine, Manning, McMasters and Marling. Absent: Hartley and Kennedy. Others Present: Attorney J.K. Chase, IV, Jim Cunningham, Public Works Director and Lewis Richmond, Chief of Police.

**GENERAL PUBLIC HEARING:**

Michael Schoene, 21 Gable Avenue, addressed Council about water run off, neighbors accumulation of trash, pot holes, and concerns of street caving in due to retaining wall falling five months ago on Gable Avenue.

Archie Chaplin, 21 Church Street, also spoke to Council about water run off on Gable. He suggested installing all new culvert and complained about sewage system being full and not moving and is attracting mesquiteos. Square drain in front of Betty Jackley's is plugged.

Mayor Stern told citizens he is attempting to make arrangements with the WVDOH to use their grader to assist in ditching. It takes much longer when using the City's backhoe. Also, he is soliciting quotes to replace the retaining wall.

Archie Chaplin asked if he could submit a quote on the retaining wall. Mayor said yes.

McMasters said if cars continue to park in the ditch it will defeat the purpose of ditching.

Cunningham advised crews will start pot hole patching tomorrow.

**MAYOR ITEMS:**

Dedication ceremony for James Wilson and Larry Wiedbusch turned out good.

**OLD BUSINESS:**

The following ordinance was presented to Council for adoption:

**ORDINANCE - AN ORDINANCE SETTING FORTH SEWER RATES, CONNECTION CHARGE, RECONNECTION CHARGE AND DELAYED PAYMENT PENALTY FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF CAMERON SANITARY BOARD (SECOND & FINAL READING)**

MINUTES JUNE 7, 1999

PAGE 2



Councilperson Marling moved to adopt the above ordinance on second and final reading, seconded by Councilperson McMasters. Motion carried unanimously.

Manning reported that it helped when Robinson Pipe blew out his storm drain but did not resolve the problem. Sewage is laying and moving slower and slower. State cleaned out with pressure hose three years ago and solved the problem. Need to see if State can clean it out again.

**NEW BUSINESS:**

**APPROVAL - GENERAL FUND REVISION #9**

Hunt informed Council that the only department that will be over budget is the Dispatchers Department due to computer class training, CAD System training, and water crisis. In the other departments line items only need revised which consist of increasing certain line items as well as decreasing other line items.

Manning moved to approve 1998-99 General Fund Budget Revision #9, seconded by Marling. Motion carried unanimously.

**APPROVAL 1998-99 COAL SEVERANCE REVISION #2**

Hunt advised Coal Severance Budget Revision #2 consist of decreasing all money allocated in original budget and moving to Street for retaining wall.

Marling moved to approved 1998-99 Coal Severance Revision #2, seconded by McMasters. Motion carried unanimously.

**RECEIVE AND FILE JOB CLASSIFICATIONS AND WAGES**

Hunt submitted to Council a list of current Job Classifications and Wages to receive and file in order correct internal control deficiencies sited in 1996-97 audit.

Marling moved to receive and file the list of Job Classifications and Wages, seconded by McMasters. Motion carried unanimously.

**APPROVAL OF BID - BALL FIELD LIGHTING**

Hunt advised that the following bids were received for the baseball field lighting project:

2

**ORDINANCE - AN ORDINANCE ESTABLISHING A POLICY AND PROCEDURES MANUAL FOR THE CITY OF CAMERON POLICE DEPARTMENT (FIRST READING)**

Marling moved to approve the above ordinance on first reading, seconded by McMasters. Motion carried unanimously.

**APPROVAL XEROX LEASE AGREEMENT**

Hunt advised the Xerox Lease Agreement expires this month with a balance buy out of \$300. It was recommended by Hunt to enter into a new agreement for a new model 5818T in the amount of \$102.83 per month. This agreement includes all supplies for the machine. Money spent on supplies for current machine last year was \$1,200 plus \$423.36 in lease payments. New lease agreement annual payments will total \$1,233.96.

Manning moved to approve the Xerox Lease Agreement in the amount of \$102.83 per month, seconded by McMasters. Motion carried unanimously.

**FRIENDSHIP DAY PROCEEDS**

\$104.39 in proceeds was raised at Friendship Days May 21-22 for City sign in spite of the rain. Remaining items was sold to Tina Mason for the pool concession stand. A total of \$523.64 has been raised to date for the sign.

**APPROVAL - PLACEMENT OF SIGNS**

Matt Clark donated two new signs "Slow Children at Play" and requested approval to place them on Main Street.

MINUTES JUNE 7, 1999

PAGE 4

Marling moved to approve placement of the signs on Main Street, seconded by McMasters. Motion carried unanimously.

#### **RECEIVE AND FILE LEGAL ADVERTISEMENT**

Marling moved to receive & file Legal Advertisement of PSC Sewer Case No. 99-0617-S-CN, seconded by McMasters. Motion carried unanimously.

#### **DISCUSSION OF PURCHASING POLICY**

Hunt said she has been working on Purchasing Policy Procedures and read to Council the draft she had completed. Manning stated he does not want the approval requirement of \$500 increased to \$1,000.

Hunt requested donations from Council for Charlie Shadd. He vehicle caught fire and burned up while he was on vacation and he lost several personal items.

#### **DISCUSSION - NEWMAN PROPERTY**

Attorney Chase was approached by Attorney Michael Whorton in reference to Kenny Newman property. Newman wants to refinance loans and sale his business. Whorton wants to make an offer on the amount of delinquent Business & Occupation Tax owed to the City to settle the account. Council can think about what they want to do. Manning voiced he feels Newman should pay the full amount.

#### **RETAINING WALL - GABLE AVENUE**

Mayor Stern presented quotes for retaining wall from Cameron Lumber and Steve Cunningham. Cunningham submitted the lowest quote of \$5,000.

Marling would like to have a written guarantee from whoever the quote is awarded to.

#### **FINANCE**

McMasters reported on the following checking account balances: General Fund - \$117,528; Water Fund \$7,104; Sewer Fund - \$76,888; and Coal Severance Fund \$6,247.

#### **RECREATION**

Manning commented on how nice the pool looks this year.

Pool pump is needed. Approximate cost \$900.

MINUTES JUNE 7, 1999  
PAGE 5

**KDR CONTRACTING QUOTE APPROVED**

Manning moved to approve quote from KDR Contracting to complete the Volleyball Court in the amount of \$5,935.31, seconded by McMasters. Motion carried unanimously.

If there is enough money left over, the Mayor will look at putting in a horseshoe pit and basketball court.

**FIRE**

The Mayor was questioned if he and the Fire Chief were going to sign the fireworks permit this year. Marling would like to see them banned because there are too many reports of persons injured and killed. Manning said they have been a family tradition but agrees the City should check into the liability. Chief Richmond advised if the fireworks company has a liability clause in their contract they are responsible.

**WATER**

Hunt advised water rates need to be increased.

After discussion, Manning moved to authorize water rate ordinance to be drafted, seconded by Marling. Motion carried unanimously.

Dam is down three feet from top of overflow.

**STREETS/ALLEYS/LIGHTING**

MINUTES JUNE 7, 1999  
PAGE 3

Lilly Electrical Sales & Eng., Inc. Bid 1 - \$27,972 Bid 2 - \$24,200

Davidson Electric Company - \$ 14,767

Blue Grass Electric - \$12,500

Manning moved to approve the lowest bidder for the lighting project, Blue Grass Electric, in the amount of \$12,500, seconded by Galentine. Motion carried unanimously.

**APPROVAL POLICE POLICY**



X  
2

MINUTES JUNE 7, 1999  
PAGE 6

Marling said to make sure Charlies Anderson gets a citation for high weeds on Maple Avenue.

Unit #29 is at Cameron Collision for body repairs.

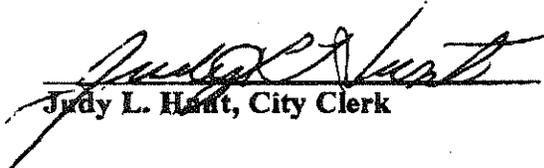
Chief advised he is a member of the Northern Panhandle Highway Safety Committee and will be attending meetings once a month to receive free items for the department.

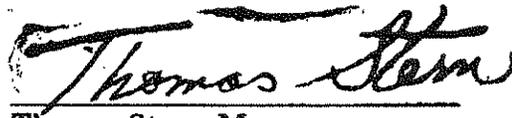
MINUTES:

Councilperson Manning moved to approve the minutes for March 15, 1999, March 22, 1999, March 29, 1999, April 5, 1999, April 19, 1999, and April 26, 1999, seconded by Marling. Motion carried unanimously.

ADJOURNMENT:

Councilperson Manning moved to adjourn. Regular Session of Council adjourned at 9:15 p.m.

  
Judy L. Hart, City Clerk

  
Thomas Stern, Mayor

**STATE OF WEST VIRGINIA, COUNTY OF MARSHALL, CITY OF CAMERON, REGULAR SESSION MAY 17, 1999**

The City Council of the City of Cameron met in Regular Session on May 17, 1999 in the council chambers of the Benedum Community Building. Mayor Thomas Stern called the meeting to order at 7:30 p.m. City Clerk Judy Hunt called the roll call and the following council members were present: Galentine, Hartley, Kennedy, McMasters and Marling. Absent: Manning. Others Present: Attorney J.K. Chase, IV, Jim Cunningham, Public Works Director and Lewis Richmond, Chief of Police.

**GENERAL PUBLIC HEARING:**

No one was present to address Council.

**MAYOR ITEMS:**

1. Received \$1,200 from the Marshall County Commission for pool repairs.
2. Dedication ceremony for "Wiedebusch Drive" and "Wilson Drive" will be 12:00 Noon Saturday, May 29, 1999
3. A total of \$403.25 has been raised from car wash donations for purchase of City sign.
4. I appointed Lewis Richmond to the position of Chief of Police.
5. City Clerk will be attending a PSC Seminar on Water/Sewer bookkeeping and annual reporting requirements in Flatwood, WV May 19, 20.
6. Old broken concrete was removed and replaced with new at the pool.
7. Pool scheduled to open May 31.
8. A new restaurant "Family Affair" opened May 12, 1999.
9. An Italian Restaurant is going in the old Greg's Markiet building on Bridge Street.
10. Concrete floor will be poured for the new pavilion at the City dam on Saturday morning.
11. Greg Stone of DNR was contacted in reference to permitting small electric motor boats and canoes on dam. Would be regulated by the State. Checking with current insurance agent to make sure the City has coverage for this type of activity.

MINUTES MAY 17, 1999  
PAGE 2

Discussion was held on keeping a record of people going in and out by registering boats at the City Building. Hartley was in favor of the idea of requiring some kind of verification of who is there.

Hartley moved to ask Recreation Committee to further explore the above avenue discussed, seconded by Marling. Motion carried unanimously.

The condition of the access road was discussed. Mayor Stern said it would be a good project for Summer Youth Program to gather gravel from cemetery and place it back in road.

**NEW BUSINESS:**

**APPROVAL GENERAL FUND BUDGET REVISION #8**

Hunt advised a budget revision was needed for \$1,200 received from the Marshall County Development Fund for pool renovations.

Hartley moved to approve General Fund Budget 1998-99 Revision #8, seconded by Marling. Motion carried unanimously.

**APPROVAL OF OPTIMUM CHOICE HEALTH INSURANCE**

A memo was distributed to all employees asking them to review the physician directory with Optimum Choice. All employees did review the directory to see if their doctors were on the plan. Everyone's doctors are on the plan with the exception of Willis Howard's wife specialist.

Hartley moved to accept the lowest quote for Health Insurance coverage from Optimum Choice as follows: Single - \$154.72; Couple - \$324.71; and Family - \$437.86.

**POOL CONCESSION**

Tina Mason submitted a pool concession bid proposal stating she will pay \$25 a month rent and 10% commission on all concessions.

Hartley moved to reject the first bid from Marcie Hoge and accept the bid from Tina Mason to operate the pool concession, seconded by McMasters. Motion carried unanimously.

MINUTES MAY 17, 1999  
PAGE 3



**ORDINANCE - SEWER RATES**

The following ordinance was presented to council on first reading: **AN ORDINANCE SETTING FORTH SEWER RATES, CONNECTION CHARGE, RECONNECTION CHARGE AND DELAYED PAYMENT PENALTY FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF CAMERON SANITARY BOARD.**

Hartley moved to approve the above ordinance on first reading, seconded by McMasters. Motion carried unanimously.

**RESOLUTION HONORING JAMES WILSON**

Marling moved to adopt a resolution in the memory of late Councilperson James Wilson, honoring him by naming Clinic Road "WILSON DRIVE", seconded by Hartley. Motion carried unanimously. (See attached resolution)

**APPROVAL OF FRIENDSHIP DAYS**

Marling moved to approve Cameron Community Development Association to use the City parking lot for Friendship Days May 21-22, 1999, seconded by Hartley. Motion carried unanimously.

**APPOINTMENT - LEWIS RICHMOND, CHIEF OF POLICE**

Hartley moved to confirm the appointment of Lewis Richmond to the position of Police Cheif, seconded by Galentine. Motion carried unanimously.

Lewis Richmond introduced himself to council and talked in detail about his experience and background.

**COMMITTEE REPORTS:**

**FINANCE**

Kennedy reported on the following checking account balances: General Fund \$128,747; Water Fund \$6,387; Sewer Fund \$75,350; and Coal Severance Tax Fund \$6,246.

**RECREATION**

**MINUTES MAY 17, 1999****PAGE 4**

Hartley reported the City received final grant payment of \$3,082.38 from four years ago for the ballfield.

Penn Line has moved line truck in. Marling said they would like to start erecting light poles in the morning.

It was also reported by Hartley that \$900 was received from Marshall County Commission Community Development Fund for the ballfield.

**WATER**

Kennedy said crews are not reading meters because she has one in her yard that hasn't been read.

Cunningham advised he would like to implement a water meter change out program. Need rates increased to purchase new meters because a lot of meters are over 25 years old. Also, need to meter customers that are not metered.

High service pump is vibrating terribly. Replacement cost is approximately \$3,000 and a rebuilt pump is \$2,000.

Mobile pump for soda ash is needed. Approximate cost is \$380.

Chemicals need to be ordered. Chemical cost with credit memo will be 874.25.

Hartley moved to authorize chemical purchase from Chemply in the amount of \$574.25, seconded by Marling. Motion carried unanimously.

**SEWER**

Cunningham informed Council a Sanitary Survey was done by the Health Department and recommendations were made.

Marling received a complaint Saturday afternoon regarding sewer odor on Church Street by footbridge. Need to clean out with backhoe and spread lime in the area.

**FIRE**

Hartley reported the Fire Protection Fee balance as of 5/15/99 was \$4,582.40.

Fire Department would like a breakdown of insurance cost to make comparison to other companies prior to June 30, 1999. Hunt advised the present insurance contract was for a three year period expiring June 30, 2000.

MINUTES MAY 17, 1999

PAGE 6

### **STREETS/ALLEYS/LIGHTING**

Weeds and grass will be cut around town for Friendship Days.

Mayor Stern sent a letter to the WVDOH requesting that the State pave High Street and to take over the maintenance.

### **POLICE**

Chief Richmond advised council that time checks will be done on the hour for officers safety. Sheriff Clark does not have a problem with this practice.

Officers will be assigned unit numbers by seniority and rank. Dispatchers will be dispatching officer unit numbers instead of vehicle unit numbers because of liability purposes.

One officer will be patrolling while another officer is on foot patrol during Friendship Days.

Richmond presented Council with a copy of a letter addressed to merchants. The letter requests them to complete an emergency contact information form in order to update the Police Department records in the event of breaking and entering, etc. He found the existing merchant list to be outdated.

Parking meters need numbers on them.

Department of Justice will be conducting an inspection on holding cells and reviewing lodge records.

Developed a new arrest sheet. Fingerprint cards need updated.

Police policy seriously need adopted.

Singleton and Hendershot will be attending the State Academy in Charleston tomorrow to take physical agility test.

All items issued to officers will be inventoried and signed that they received them and will be held responsible for returning all items purchased by the City when they terminate their employment.

Gotcha Program begins June 1, officers will be issuing citations to award kids for good deeds.

MINUTES MAY 17, 1999  
PAGE 7

A list of items and equipment needed for the Police Department was given to council.  
Chief did an inventory on both cruisers and found several safety items not in cruisers.  
Vehicle maintenance log will be kept and given to City Clerk.

Chief would like to serve as an alternate on the 911 Committee. A letter is required appointing him as an alternate.

**VEHICLE TOWING POLICY**

Richmond has implemented a department policy pertaining to towing of vehicles. All vehicles towed and impounded will be inventoried and a vehicle impoundment record will be filled out by the officer. The only vehicles that will not be inventoried, are vehicles that were towed by the owners request.

**MINUTES:**

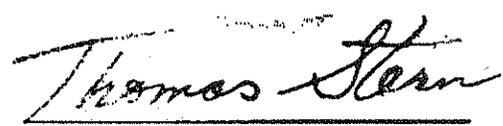
Hartley advised a correction needed to be made to the minutes of February 15, 1999. The minutes reads Cooper's moved and they should read Tedrow's moved.

Councilperson Hartley moved to approve the minutes for February 15, 1999 as corrected and March 15, 1999, seconded by Councilperson Marling. Motion carried unanimously.

**ADJOURNMENT:**

Councilperson Marling moved to adjourn. Regular Session of Council adjourned at 9:15 p.m.

  
\_\_\_\_\_  
Judy L. Hunt, City Clerk

  
\_\_\_\_\_  
Thomas Stern, Mayor





(304) 845-2860  
P.O. BOX 369  
MOUNDSVILLE  
WEST VIRGINIA  
26041

**LEGAL ADVERTISEMENT**

**LEGAL ADVERTISEMENT**  
**CITY OF CAMERON**  
AN ORDINANCE SETTING  
FORTH SEWER RATES, CON-  
NECTION CHARGE, RECONNEC-  
TION CHARGE AND DELAYED  
PAYMENT PENALTY FOR SERV-  
ICE TO CUSTOMERS OF THE  
SEWERAGE SYSTEM OF THE  
CITY OF CAMERON SANITARY  
BOARD

THE COUNCIL OF THE CITY  
OF CAMERON HEREBY OR-  
DAINS: The following schedule of  
sewer rates, connection charge, re-  
connection charge and delayed pay-  
ment penalty are hereby fixed and  
determined as the sewer rates, con-  
nection charge, reconnection charge  
and delayed payment penalty to be  
charge to customers of the sewerage  
system of the City of Cameron Sanitary  
Board:

**Applicability**  
Applicable to entire area served.

**Availability**  
Available for general domestic, com-  
mercial, industrial, and resale serv-  
ice.

**Rate (Based upon metered volume  
of water supplied)**

First 2,000 gallons used per month;  
\$24.30 (Minimum Bill)

Next 4,000 gallons used per month;  
3.58 per 1,000 gallons

Next 4,000 gallons used per month;  
3.20 per 1,000 gallons

Next 10,000 gallons used per month;  
2.94 per 1,000 gallons

Over 20,000 gallons used per month;  
1.92 per 1,000 gallons

**Minimum Bill**  
No bill will be rendered for less  
than the following amount: \$24.30  
per month.

**Multiple-Occupancy**  
Aparment building and other  
multiple-occupancy buildings shall  
be required to pay not less than the  
monthly Minimum Bill for each unit.  
Hotels and motels shall be exempt  
from this multiple-occupancy charge.  
House trailer or mobile home courts  
served through a single meter shall  
be required to pay the monthly Mini-  
mum Bill multiplied by the number  
of units in place at the time the meter  
is read each month.

**Unmetered/Unmeasured Rate**  
\$33.25 per month

In the event the water supply is  
unmetered or otherwise unmeasur-  
able, the unmetered rate shall be  
charged. (Based on 4,500 gallons  
used per month)

**Delayed Payment Penalty**  
The above rates are not. On all  
current bills, bills to be paid in full  
within thirty (30) days of the billing

to acquire by condemnation or  
otherwise additional rights of way  
easements necessary for extend-  
of lines, which shall be provided  
applicant upon terms and conditions  
approved by the City.

**Reconnection Service Charge**  
\$25.00

There shall be a reconnection charge  
paid prior to restoration of service  
previously disconnected for  
non-payment of sewer charges.

**Returned Checks for Insufficient  
Funds**

If a check received is returned  
the bank for any reason, the bank  
charge to the Sanitary Board shall  
the Board's charge to the customer  
for such a bad check, but such charge  
to the customer shall not exceed  
\$15.00.

**Incremental Cost**  
\$2.79 Per 1,000 Gallons

Rate per 1,000 Gallons to be used  
to bill customer leaks in excess  
beyond historical average usage

**SECTION 2. EFFECTIVE DATE**

The rate charges and delayed pay-  
ment penalty provided herein shall  
become effective January 1, 2001

**SECTION 3. SEPARABILITY  
REPEAL OF CONFLICTING ORDINANCES**

The provisions of this Ordinance  
are separable, and if any clause,  
provision or section hereof shall be  
held void or unenforceable by a  
court of competent jurisdiction, such  
holding shall not affect the remain-  
der of this Ordinance. Upon the  
effective date hereof, all ordinance  
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, resolu-  
tions, orders or parts thereof, the  
same shall remain in full force and  
effect.

**SECTION 4. STATUTORY NOTICE AND PUBLIC HEARING**

Upon introduction hereof, the  
Recorder shall publish a copy of this  
Ordinance once a week for two  
successive weeks within a period of  
fourteen (14) consecutive days, with  
at least six (6) days between each  
publication, in a qualified newspaper  
of general circulation in the City  
of Cameron, and said notice shall  
state that this Ordinance has been  
introduced, and that any person in-  
terested may appear before Court  
Chambers, Cameron, West Virginia  
on the 7th day of June, 1999, at 7  
p.m. which date is not less than  
ten (10) days before the effective date

**AFFIDAVIT OF PUBLICATION**

STATE OF WEST VIRGINIA,  
COUNTY OF MARSHALL, to wit:

I, Marian Walton, being first sworn  
my oath, do depose and say:  
• that I am Co-Publisher of the MOUNDSVILLE  
newspaper;  
• that I have been duly authorized to execute  
• that such newspaper has been published  
lished afternoons daily except Sunday  
dar year, in the municipality of Moundsville,  
• that such newspaper is a newspaper as defined in  
3, Chap. 59 of the Code of West Virginia,  
and Marshall County;  
• that such newspaper is published weekly, exclusive of  
cover, per issue;  
• that such newspaper is published at a definite price  
public of a definite price;  
• that such newspaper is published for the general public resorts  
mercial and social nature and for the dissemination of  
reading matters, advertisements,  
and other matters of public interest.

of Cameron  
NATURE (and agency if heard before one)  
sewer rates

CERTIF-BILL TO  
City of Cameron  
Main street  
Cameron WV 26033

WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

TIMES	DATES
two	May 18, 25, 1999

BY WORDS	PUBLICATION CHARGES
1148@.1225	\$140.63

(signed) Marian Walton

**NOTARIZATION**

Taken, sworn to and subscribed before me this  
19 99  
LINDA M. MASSIE  
Moundsville Daily Echo  
P. O. Box 369  
Moundsville, West Virginia 26041  
My Commission Expires Jan. 9, 2006





CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

MINUTES ON ADOPTION AND ENACTMENT OF BOND ORDINANCE  
FIRST READING

I, Judy Hunt, Clerk of the City of Cameron (the "City"), hereby certify that the following is a true and correct excerpt of the minutes of a regular meeting of the Council of the City:

\* \* \*

\* \* \*

\* \* \*

The Council of the City met in special session, pursuant to notice duly given, on the 22nd day of May, 2000, in Cameron, West Virginia, at the hour of 7:30 p.m.

PRESENT:	Thomas Stern	-	Mayor
	Judy Hunt	-	Clerk
	Brian Marling	-	Councilmember
	Margaret Francis	-	Councilmember
	Helen McMasters	-	Councilmember
	Sharon Galentine	-	Councilmember
	Sandra Kennedy	-	Councilmember

ABSENT:	Larry Hartley	-	Councilmember
---------	---------------	---	---------------

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 presented a proposed Bond Authorizing Ordinance in writing entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND  
CONSTRUCTION OF CERTAIN ADDITIONS,  
BETTERMENTS AND IMPROVEMENTS TO THE EXISTING  
PUBLIC SEWERAGE SYSTEM OF THE CITY OF CAMERON

AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$2,700,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

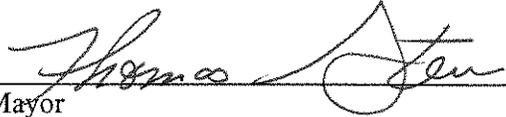
and caused the same to be read and there was discussion. Thereupon, on motion duly made and seconded, it was unanimously ordered that the said Bond Ordinance be adopted upon first reading.

\* \* \*

\* \* \*

\* \* \*

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

  
\_\_\_\_\_  
Mayor

\* \* \*

\* \* \*

\* \* \*

I further hereby certify that the foregoing action of the Council remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 13th of July, 2000.

  
\_\_\_\_\_  
City Clerk

07/11/00  
123610/99001

CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

MINUTES ON ADOPTION AND ENACTMENT OF BOND ORDINANCE  
SECOND READING

I, Judy Hunt, Clerk of the City of Cameron (the "City"), hereby certify that the following is a true and correct excerpt of the minutes of a regular meeting of the Council of the City:

\* \* \*

\* \* \*

\* \* \*

The Council of the City met in regular session, pursuant to notice duly given, on the 5th day of June, 2000, in Cameron, West Virginia, at the hour of 7:30 p.m.

PRESENT:	Thomas Stern	-	Mayor
	Judy Hunt	-	Clerk
	Brian Marling	-	Councilmember
	Larry Hartley	-	Councilmember
	Sharon Galentine	-	Councilmember
	Sandra Kennedy	-	Councilmember
ABSENT:	Margaret Francis	-	Councilmember
	Helen McMasters	-	Councilmember

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 presented a proposed Bond Authorizing Ordinance in writing entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND  
CONSTRUCTION OF CERTAIN ADDITIONS,  
BETTERMENTS AND IMPROVEMENTS TO THE EXISTING  
PUBLIC SEWERAGE SYSTEM OF THE CITY OF CAMERON

AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$2,700,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

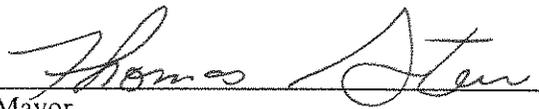
and caused the same to be read and there was discussion. Thereupon, on motion duly made and seconded, it was unanimously ordered that the said Bond Ordinance be adopted upon second reading.

\* \* \*

\* \* \*

\* \* \*

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

  
\_\_\_\_\_  
Mayor

\* \* \*

\* \* \*

\* \* \*

I further hereby certify that the foregoing action of the Council remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 13th of July, 2000.

\_\_\_\_\_  
City Clerk

A handwritten signature in cursive script, appearing to read "Judy A. Stein", written over a horizontal line.

07/11/00  
123610/99001

CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

MINUTES ON ADOPTION AND ENACTMENT OF BOND ORDINANCE  
(THIRD READING FOLLOWING PUBLIC HEARING)

I, Judy Hunt, Clerk of the City of Cameron (the "City"), hereby certify that the following is a true and correct excerpt of the minutes of a regular meeting of the Council of the City:

\* \* \*

\* \* \*

\* \* \*

The Council of the City met in regular session, pursuant to notice duly given, on the 19th day of June, 2000, in Cameron, West Virginia, at the hour of 7:30 p.m.

PRESENT:	Thomas Stern	-	Mayor
	Judy Hunt	-	Clerk
	Brian Marling	-	Councilmember
	Margaret Francis	-	Councilmember
	Larry Hartley	-	Councilmember
	Helen McMasters	-	Councilmember
	Sharon Galentine	-	Councilmember
ABSENT:	Sandra Kennedy	-	Councilmember

The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it. He 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 THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF CAMERON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$2,700,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

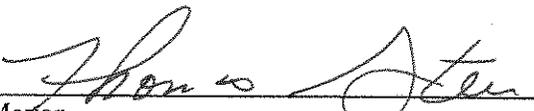
and caused the same to be read and there was discussion. Thereupon, on motion duly made and seconded, it was unanimously ordered that the said Bond Ordinance be finally enacted and put in full force and effect on and from the date hereof.

\* \* \*

\* \* \*

\* \* \*

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

  
\_\_\_\_\_  
Mayor

\* \* \*

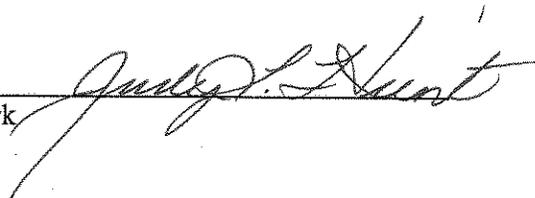
\* \* \*

\* \* \*

I further hereby certify that the foregoing action of the Council remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 13th of July, 2000.

City Clerk

A handwritten signature in cursive script, appearing to read "Judy L. Hunt", is written over a horizontal line. The signature is written in dark ink and is positioned to the right of the printed text "City Clerk".

07/12/00  
123610/99001

CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

MINUTES ON ADOPTION  
OF SUPPLEMENTAL RESOLUTION

I, Judy Hunt, Clerk of the City of Cameron (the "City"), hereby certify that the following is a true and correct excerpt of the minutes of a special meeting of the Council of the City:

\* \* \*

\* \* \*

\* \* \*

The Council of the City met in special session, pursuant to notice duly given, on the 10th day of July, 2000, in Cameron, West Virginia, at the hour of 7:30 p.m.

PRESENT:	Thomas Stern	-	Mayor
	Judy Hunt	-	Clerk
	Brian Marling	-	Councilmember
	Margaret Francis	-	Councilmember
	Larry Hartley	-	Councilmember
	Sandra Kennedy	-	Councilmember
	Sharon Galentine	-	Councilmember
ABSENT:	Helen McMasters	-	Councilmember

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 presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF THE CITY OF CAMERON

RATIFYING AND APPROVING A LOAN AGREEMENT  
RELATING TO SUCH BONDS AND THE SALE AND  
DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA  
WATER DEVELOPMENT AUTHORITY; DESIGNATING A  
REGISTRAR, PAYING AGENT AND DEPOSITORY BANK;  
AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, on motion duly made and seconded, it was unanimously ordered that the said Supplemental Resolution be adopted and put in full force and effect on and from the date hereof.

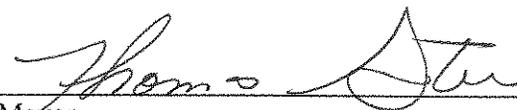
Thereupon, the Mayor presented a proposed resolution approving the payment of invoices for the sewer project from proceeds of the Bonds. Thereupon, a motion duly made and seconded, it was unanimously ordered that the said Resolution be adopted and be in full force and effect on and from the date hereof.

\* \* \*

\* \* \*

\* \* \*

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

  
\_\_\_\_\_  
Mayor

\* \* \*

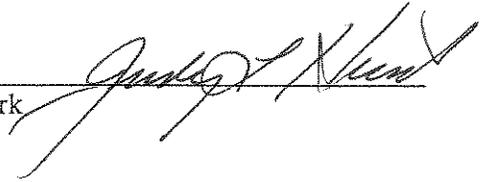
\* \* \*

\* \* \*

I further hereby certify that the foregoing action of the Council remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 13th of July, 2000.

City Clerk

A handwritten signature in cursive script, appearing to read "Judy A. New", is written over a horizontal line.

07/12/00  
123610/99001





**MOUNDSVILLE DAILY ECHO**  
SINCE 1891

(304) 845-2660  
P.O. BOX 369  
MOUNDSVILLE  
WEST VIRGINIA  
26041

**AFFIDAVIT OF PUBLICATION**

STATE OF WEST VIRGINIA,  
COUNTY OF MARSHALL, to wit:

I, Marian Walton, being first duly sworn up  
my oath, do depose and say:

- that I am Co-Publisher of the MOUNDSVILLE DAILY ECHO, a Republic newspaper;
- that I have been duly authorized to execute this affidavit;
- that such newspaper has been published for over 103 years, is regularly published afternoons daily except Sundays, for at least fifty weeks during the calendar year, in the municipality of Moundsville, Marshall County, West Virginia.
- that such newspaper is a newspaper of "general circulation" as defined in § 3, Chap. 59 of the Code of West Virginia 1931 as amended, within Moundsville and Marshall County;
- that such newspaper averages in length four or more pages, exclusive of a cover, per issue;
- that such newspaper is circulated to the general public at a definite price consideration;
- that such newspaper is a newspaper to which the general public resorts, passing events or a political, religious, commercial and social nature and for current happenings, announcements, miscellaneous reading matters, advertisements and other notices;
- and that the annexed notice described as follows:

**LEGAL ADVERTISEMENT**  
**LEGAL ADVERTISEMENT**  
CITY OF CAMERON  
**NOTICE OF PUBLIC HEARING**  
**ON BOND ORDINANCE**

A public hearing will be held on the following-entitled Ordinance at a regular meeting of the Council of the City of Cameron (the "City") to be held on June 19, 2000, at 7:30 p.m. at the City Hall, Cameron, West Virginia, and at such hearing any person interested may appear before the Council and present protests, and all protests and suggestions shall be heard by the Council, and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

**ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF CAMERON, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN**

\$2,700,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above-entitled Ordinance was adopted by the Council of the City on June 5, 2000.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The City contemplates the issuance of the Bonds described in said Ordinance. The proceeds of the Bonds will be used to permanently finance the costs of acquisition and construction of the Project. The Bonds are payable solely from revenues to be derived from the ownership and operation of the public sewerage system of the City. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

The Bonds shall not constitute indebtedness of the City, but shall be limited obligations of the City, payable solely from the property, revenues and moneys pledged therefor, and neither the Bonds nor the interest thereon, nor any charge in connection therewith, shall be a charge against the general credit or taxing powers of the City, nor shall the same ever constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitations.

A certified copy of the above-entitled Ordinance is on file with the Council at the office of the City Clerk of the City for review by interested parties during regular office hours.

Following said public hearing, the Council intends to enact said Ordinance upon final reading.

Dated: June 8, 2000.  
/s/ Judy Hunt  
City Clerk  
PUBLISH: June 8, 15, 2000

**PARTY(ies)**

City of Cameron

**NATURE (and agency if heard before one)**

bond ordinance

**CERTIF-BILL TO**

Stephoe & Johnson  
PO Box 1588  
Charleston WV 25326

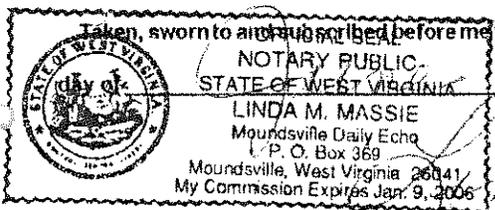
**WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:**

TIMES	DATES
two	June 8, 15, 2000

BY WORDS	PUBLICATION CHARGES
554 @ .1225	\$67.86

(signed) Marian L. Walton

**NOTARIZATION**



Notary public  
Linda M. Massie



WV MUNICIPAL BOND COMMISSION  
812 Quarrier Street  
Suite 300  
Charleston, WV 25301  
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: July 13, 2000

ISSUE: City of Cameron Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund)

ADDRESS: 44 Main Street, Cameron, West Virginia 26033

COUNTY: Marshall

PURPOSE OF ISSUE: New Money: X  
Refunding: \_\_\_\_\_

REFUNDS ISSUE(S) DATED: N/A

ISSUE DATE: July 13, 2000

CLOSING DATE: July 13, 2000

ISSUE AMOUNT: \$2,530,188

RATE: 0%

1ST DEBT SERVICE DUE: 9/1/2002

1ST PRINCIPAL DUE: 9/1/2002

1ST DEBT SERVICE AMOUNT: \$16,646

PAYING AGENT: Municipal Bond Commission

BOND

COUNSEL: Steptoe & Johnson  
Contact Person: Vincent A. Collins, Esquire  
Phone: (304) 624-8161

UNDERWRITERS

COUNSEL: Jackson & Kelly  
Contact Person: Samme Gee, Esquire  
Phone: (304) 340-1318

CLOSING BANK: One Valley Bank - North, Inc.  
Contact Person: Pam Trowbridge, Manager  
Phone: (304) 686-3351

ESCROW TRUSTEE: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Phone: \_\_\_\_\_

KNOWLEDGEABLE ISSUER CONTACT

Contact Person: Ms. Judy Hunt  
Position: City Clerk  
Phone: (304) 686-2366

OTHER: WV Infrastructure and Jobs Development Council

Contact Person: Katy Mallory, P.E.  
Function: Executive Director  
Phone: (304) 558-4607

DEPOSITS TO MBC AT CLOSE:

By: \_\_\_\_\_ Wire \_\_\_\_\_  
\_\_\_\_\_ Check \_\_\_\_\_  
\_\_\_\_\_ Other: \_\_\_\_\_

Accrued Interest:	\$ _____
Capitalized Interest:	\$ _____
Reserve Account:	\$ _____
Other:	\$ _____

REFUNDS & TRANSFERS BY MBC AT CLOSE

By: \_\_\_\_\_ Wire \_\_\_\_\_  
\_\_\_\_\_ Check \_\_\_\_\_  
\_\_\_\_\_ IGT \_\_\_\_\_

To Escrow Trustee:	\$ _____
To Issuer:	\$ _____
To Cons. Invest. Fund:	\$ _____
To Other:	\$ _____

NOTES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

FOR MUNICIPAL BOND COMMISSION USE ONLY:

DOCUMENTS REQUIRED: \_\_\_\_\_  
TRANSFERS REQUIRED: \_\_\_\_\_  
\_\_\_\_\_

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.



CITY OF CAMERON

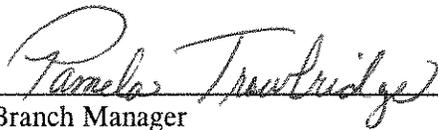
Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

One Valley Bank - North, Inc., Cameron, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of the City of Cameron (the "Issuer") enacted June 19, 2000, and a Supplemental Resolution of the Issuer adopted on July 10, 2000 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), dated July 13, 2000, in the aggregate principal amount of \$2,530,188 (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 13th day of July, 2000.

ONE VALLEY BANK - NORTH, INC.

  
\_\_\_\_\_  
Branch Manager

07/12/00  
123610.99001



CITY OF CAMERON

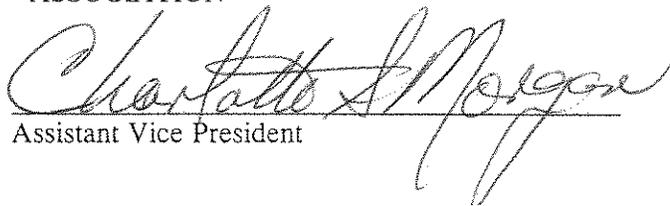
Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

ONE VALLEY BANK, NATIONAL ASSOCIATION, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the City of Cameron Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), dated July 13, 2000, in the aggregate principal amount of \$2,530,188 (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 13th day of July, 2000.

ONE VALLEY BANK, NATIONAL  
ASSOCIATION

  
Assistant Vice President

07/12/00  
123610.99001



CITY OF CAMERON

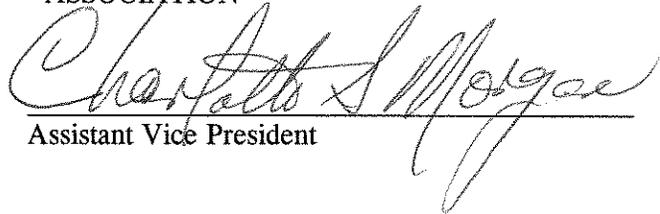
Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

CERTIFICATE OF REGISTRATION OF BONDS

ONE VALLEY BANK, NATIONAL ASSOCIATION, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of the City of Cameron (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered City of Cameron Sewer Revenue Bond, Series 2000 A (West Virginia Infrastructure Fund), of the Issuer, dated July 13, 2000, in the principal amount of \$2,530,188, numbered AR-1, was registered as to principal only in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of One Valley Bank, National Association, as Registrar.

WITNESS my signature on this 13th day of July, 2000.

ONE VALLEY BANK, NATIONAL  
ASSOCIATION

  
Assistant Vice President

06/27/00  
123610.99001



CITY OF CAMERON

Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 13th day of July, 2000, by and between CITY OF CAMERON, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$2,530,188 principal amount of Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund), in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted June 19, 2000, and a Supplemental Resolution of the Issuer duly adopted July 10, 2000 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar 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:

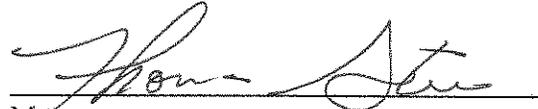
ISSUER: City of Cameron  
44 Main Street  
Cameron, West Virginia 26033  
Attention: Mayor

REGISTRAR: One Valley Bank, National Association  
Post Office Box 1793  
One Valley Square  
Charleston, West Virginia 25326  
Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

CITY OF CAMERON

  
\_\_\_\_\_  
Mayor

ONE VALLEY BANK, NATIONAL  
ASSOCIATION

  
\_\_\_\_\_  
Assistant Vice President

07/12/00  
123610.99001

EXHIBIT A

Bond Legislation included in bond transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

(See Attached)

# Invoice

ONE VALLEY  
BANK

CITY OF CAMERON  
ATTENTION: MAYOR  
44 MAIN STREET  
CAMERON WV 26033

DATE JULY 13, 2000

UNITS	ITEM DESCRIPTION	TOTAL
	CITY OF CAMERON SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA INFRASTRUCTURE FUND)	
	ONE TIME FEE FOR SERVICES AS REGISTRAR AND AUTHENTICATING AGENT.....	\$250.00

SEND REMITTANCE TO: One Valley Bank  
ATTN: CHARLOTTE S. MORGAN ~~One Financial Plaza~~ 6th Floor  
One Valley Square  
P.O. Box 1793  
Charleston, WV 25326





Also, to acquire, construct, install, operate, and maintain a new 0.210 MGD sequential batch reactor (SBR) sewage collection and treatment system consisting of 4,201 linear feet of 15 inch gravity sewer line, 262 linear feet of 14 inch gravity sewer line, 3,206 linear feet of 12 inch gravity sewer line, 15,525 linear feet of eight (8) inch gravity sewer line, 4,099 linear feet of six (6) inch gravity sewer line, 224 manholes, 148 linear feet of 1¾ force main, 4,466 linear feet of 1½ inch force main, 605 linear feet of 1¼ inch force main, 21 simplex grinder pump stations, four (4) duplex grinder pump stations, an ultrasonic continuous flow meter, a mechanical bar screen, a 4,787 gallon aerated grit chamber, two (2) 11,100 gallon pre-react basins, two (2) 76,000 gallon sequential batch reactor basins, a 34,000 gallon aerated sludge holding tank, a conversion of the existing clarifier to a 30,500 gallon aerated sludge holding tank, a 48-lamp ultraviolet (UV) light disinfection unit, a 12-bag sludge bagger/dewatering/disposal system, cascade and diffused post aeration, and all other necessary appurtenances. Upon its completion, this new wastewater treatment system shall replace the existing wastewater treatment system.

The system is designed to serve 1,750 persons or equivalents in the City of Cameron and to discharge treated wastewater to Grave Creek (approximately 18 miles from its mouth) of the Ohio River.

**This permit is subject to the following terms and conditions:**

The information submitted on and with Permit Application No. WV0020125 dated the 7th day of May 1999 along with approvable plans and specifications which the Construction Assistance Branch considered approvable on the 11th day of August 1998, are all hereby made terms and conditions of this Permit with like effect as if all such permit application information were set forth herein and with other conditions set forth in Sections A, B, C, D and Appendix A.

The validity of this permit is contingent upon the payment of the applicable annual permit fee, as required by Chapter 22, Article 11, Section 10 of the Code of West Virginia.

**SEWAGE COLLECTION AND TREATMENT FACILITIES TO BE CONSTRUCTED IN ACCORDANCE WITH:**

**Plans, Specifications, and Reports:**

Date Approvable: August 11, 1998

Prepared by: Lennon, Smith, Souleret Engineering Inc.

846 4th Avenue

Coraopolis, PA 15108

Titles: City of Cameron

Marshall County, WV

- 1) Sanitary Sewer Replacement - Contracts 98-S1, 98-S2, and 98-S3
- 2) Sewage Treatment Plant Improvements - Contract 98-STP1

**A.1.a Discharge Limitations and Monitoring Requirements (Existing Wastewater Treatment Plant)**

During the period beginning November 18, 1999 and lasting through midnight October 17, 2004 the permittee is authorized to discharge from outlet number(s) 001 - Discharge from sewage treatment facilities

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>			<u>Monitoring Requirements</u>			
	<u>Avg. Monthly</u>	<u>(Quantity) lbs/day Max. Daily</u>	<u>Other Units (Specify) Avg. Monthly Max. Daily</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>		
Flow	N/A	N/A	0.240	N/A	MGD	Continuous	Measured
Biochemical Oxygen Demand (5-Day)	30.0	60.0	15.0	30.0	mg/l	1/Month	8 Hr Comp
Total Suspended Solids	60.0	120.1	30.0	60.0	mg/l	1/Month	8 Hr Comp
Nitrogen, Ammonia	4.0	8.0	2.0	4.0	mg/l	1/Month	8 Hr Comp
Fecal Coliform			200	400	counts/100ml	1/Month	Grab
Dissolved Oxygen			Not less than 6.0 mg/l at any given time		mg/l	1/Month	Grab
Total Residual Chlorine (TRC)			Monitor Only		µg/l	1/Month	Grab
Copper, Total Recoverable *			Monitor Only		µg/l	1/Quarter	8 Hr Comp
Lead, Total Recoverable *			Monitor Only		µg/l	1/Quarter	8 Hr Comp
Zinc, Total Recoverable *			Monitor Only		µg/l	1/Quarter	8 Hr Comp

\* Colorimetric analytical procedures shall not be used when monitoring the total recoverable form of the metal.

The pH shall not be less than 6.0 standard units and not more than 9.0 standard units and shall be monitored by grab sampling monthly.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD<sub>5</sub> sampling shall be collected at a location immediately preceding disinfection. All other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Title 46, Series 1, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

**A.1.b Discharge Limitations and Monitoring Requirements (New SBR Wastewater Treatment Plant)**

During the period beginning **At New Plant Start-up** and lasting through midnight October 17, 2004 the permittee is authorized to discharge from outlet number(s) **001 - Discharge from sewage treatment facilities**

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>			<u>Monitoring Requirements</u>		
	<u>Avg. Monthly</u>	<u>(Quantity) lbs/day</u> <u>Max. Daily</u>	<u>Other Units (Specify)</u> <u>Avg. Monthly</u> <u>Max. Daily</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>	
Flow	N/A	N/A	0.210    N/A	Continuous	Measured	
Biochemical Oxygen Demand (5-Day)	17.5	35.0	10.0    20.0	1/Month	**Batch	
Total Suspended Solids	52.5	105.1	30.0    60.0	1/Month	**Batch	
Nitrogen, Ammonia	3.5	7.0	2.0    4.0	1/Month	**Batch	
Fecal Coliform			200    400	1/Month	Grab	
Dissolved Oxygen		Not less than 6.0 mg/l at any given time		1/Month	Grab	
Copper, Total Recoverable *		10.3	20.6	1/Quarter	**Batch	
Lead, Total Recoverable *		3.0	6.1	1/Quarter	**Batch	
Zinc, Total Recoverable *		67.9	136.2	1/Quarter	**Batch	

\* Colorimetric analytical procedures shall not be used when monitoring the total recoverable form of the metal.

\*\* One (1) aliquot sample shall be taken from each batch discharge over a 24 hour period.

The pH shall not be less than 6.0 standard units and not more than 9.0 standard units and shall be monitored by grab sampling monthly.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD<sub>5</sub> sampling shall be collected at a location immediately preceding disinfection. All other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Title 46, Series 1, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

**B. SCHEDULE OF COMPLIANCE**

1. **The permittee shall achieve compliance with the provisions for waste treatment and the monitoring requirements specified in this permit in accordance with the following schedule:**

Effective date of permit.

2. **Reports of compliance or non-compliance with, and progress reports on interim and final requirements contained in the above compliance schedule, shall be postmarked no later than 14 days following each schedule date.**

### C. OTHER REQUIREMENTS

1. The herein-described treatment works, structures, electrical and mechanical equipment shall be adequately protected from physical damage by the maximum expected one hundred (100) year flood level and operability be maintained during the twenty-five (25) year flood level.
2. The entire sewage treatment facility shall be adequately protected by fencing.
3. Continuous maintenance and operation of the listed sewage treatment facility shall be performed by or supervised by a certified operator possessing at least a Class II certificate for Waste Water Treatment Plant Operators issued by the State of West Virginia.
4. An instantaneous flow from the sewage disposal system shall not exceed the peak design flow at any given time.
5. The arithmetic mean of values for effluent samples collected in a period of seven (7) consecutive days shall not exceed 22.5 mg/l for BOD<sub>5</sub>, 45.0 mg/l for TSS, and 3.0 mg/l for NH<sub>3</sub>-N for the existing plant and shall not exceed 15.0 mg/l for BOD<sub>5</sub>, 45.0 mg/l for TSS, and 3.0 mg/l for NH<sub>3</sub>-N for the new SBR plant.
6. The arithmetic mean of the effluent values of BOD<sub>5</sub> and TSS discharged during a period of 30 consecutive days shall not exceed 15 percent (%) of the respective arithmetic mean of the influent values for these parameters during the same time period except as specifically authorized by the permitting authority.
7. The permittee shall not accept any new non-domestic discharges without first obtaining approval from the Chief of the Office of Water Resources as provided in Title 47, Series 10, Section 14 of the West Virginia Legislative Rules.
8. If any existing non-domestic discharge causes, or is suspected of causing, interference or pass through (as defined by 40 CFR 403.3) or otherwise violates any provision of 40 CFR 403, the permittee shall notify the Chief of such violation or suspected violation.
9. If any existing non-domestic discharge is identified as being subject to Categorical Pretreatment Standard under 40 CFR Chapter 1, Subchapter N, and the discharge is not regulated by this permit, the permittee shall notify the Chief of such identification.
10. The permittee shall submit each month according to the enclosed format, a Discharge Monitoring Report (DMR) indicating in terms of concentration and/or quantities the values of the constituents listed in Section A analytically determined to be in the plant effluent (s). Additional information pertaining to effluent monitoring and reporting can be found in Section III of Appendix A.
11. The required DMRs should be received no later than 20 days following the end of the reporting period and be addressed to:

Chief  
Office of Water Resources  
1201 Greenbrier Street  
Charleston, West Virginia 25311-1088  
Attention: Engineering Branch

**D. SEWAGE SLUDGE MANAGEMENT REQUIREMENTS**

1. The permittee shall monitor and report monthly on the enclosed Sewage Sludge Management Report form the quality and quantity of sewage sludge produced. The required report shall be received no later than 20 days following the end of the reporting period and be addressed to:

**Chief  
Office of Water Resources  
1201 Greenbrier Street  
Charleston, WV 25311-1088  
Attention: Engineering Branch**

2. The permittee shall provide copies of monthly reports to the county or regional solid waste authority in which the facility or land application site(s) is located.
3. The Sewage Sludge Monitoring Report form shall be submitted semiannually. The required report shall be received no later than 20 days following the end of the reporting period and shall be addressed to the following:

**Chief  
Office of Water Resources  
1201 Greenbrier Street  
Charleston, WV 25311-1088  
Attention: Engineering Branch**

**WV Soil Conservation Agency  
Bio-Solids Program  
1900 Kanawha Blvd., East  
Charleston, WV 25305-0193**

4. The following method of sludge disposal shall be used for sewage sludge generated and/or processed at the permitted facility:

Landfill Disposal: Sewage sludge may be disposed at a landfill by placing the sewage sludge in the landfill cell, provided that the landfill obtains approval from the Office of Waste Management to allow the acceptance of sewage sludge from the permittee, and provided that the landfill(s) is/are identified in the permit application. Prior approval by the Office of Water Resources is required to change landfill disposal site(s).

5. Areas used for processing, curing, and/or storage of sewage sludge shall be designed, constructed and operated to prevent release of contaminants to the groundwater and/or surface water.

**D. SEWAGE SLUDGE MANAGEMENT REQUIREMENTS (Continued)**

6. All analyses performed on soils and sewage sludges shall be analyzed in accordance with analytical methods listed in 40 CFR Part 503.8 except that Nutrients may be analyzed in accordance with the most recently approved edition of Standard Methods and pH may be analyzed using EPA Method 9045A.
7. Sewage sludge disposed in a landfill cell shall be a non-hazardous material as defined in 40 CFR Part 261.24 and a minimum of 20 percent solids. If the sewage sludge is not 20 percent solids, a bulking agent may be used to achieve 20 percent solids before the sewage sludge is weighed in at the landfill.
8. If sewage sludge is used for revegetation, or spread in any other manner at the landfill, the sewage sludge shall meet all of the land application requirements. These requirements include vector attraction and pathogen reduction methods, heavy metals limits, and abiding by an approved loading rate based on soil analyses.
9. The permittee shall maintain all records and reports of all monitoring required by Section D of this permit for five (5) years after the date of monitoring or reporting. Records should include all sample results; any landfill receipts; copies of all required reports; and records of all data used to complete these reports.

**D. SEWAGE SLUDGE MANAGEMENT REQUIREMENTS (Continued)**

10. The following limitations and monitoring requirements shall apply to the sewage sludge or sewage sludge products:

<u>Parameter</u>	<u>Maximum Allowable Limitations (mg/kg)</u>	<u>Monitoring Frequency</u>	<u>Sample Type</u>
Arsenic	Monitor	1/6 Months	One Week Comp.
Cadmium	Monitor	1/6 Months	One Week Comp.
Chromium	Monitor	1/6 Months	One Week Comp.
Copper	Monitor	1/6 Months	One Week Comp.
Lead	Monitor	1/6 Months	One Week Comp.
Mercury	Monitor	1/6 Months	One Week Comp.
Molybdenum	Monitor	1/6 Months	One Week Comp.
Nickel	Monitor	1/6 Months	One Week Comp.
Selenium	Monitor	1/6 Months	One Week Comp.
Zinc	Monitor	1/6 Months	One Week Comp.
pH	Monitor	1/6 Months	Grab
Percent Solids	Monitor	1/6 Months	One Week Comp.
Magnesium	Monitor	1/6 Months	One Week Comp.
Potassium	Monitor	1/6 Months	One Week Comp.
Phosphorus	Monitor	1/6 Months	One Week Comp.
Calcium	Monitor	1/6 Months	One Week Comp.
Organic Nitrogen	Monitor	1/6 Months	One Week Comp.
Ammonia Nitrogen	Monitor	1/6 Months	One Week Comp.
Total Nitrogen	Monitor	1/6 Months	One Week Comp.

\* The appropriate composite sampling procedures shall be based upon the particular sludge processing methods used by the permittee. The composite sampling procedures for the various methods are described as follows:

**Belt Press or Vacuum Filter** - During the week that the composite sample is obtained, the permittee shall take a minimum of three (3) grab samples during each day of the week that the dewatering system is in operation. These grab samples are to be mixed together and the final sample obtained from the composite. Samples should be collected at a point immediately after the dewatering operation.

**Liquid Sludge** - During the week that the composite sample is obtained, the permittee shall take a representative grab sample from each truck load of sewage sludge hauled during that week. These grab samples are to be mixed together and the final sample obtained from the composite. Samples should be collected from the sewage sludge being pumped into the truck or as the sewage sludge is being discharged from the truck.

**Sewage Sludge Drying Beds** - During the week that the composite sample is obtained, the permittee shall take a minimum of four (4) grab samples from each bed finished during that week. These grab samples are to be mixed together and the final sample obtained from the composite.

**Composting or Stock Piles** - The permittee shall obtain a minimum of eight (8) grab samples from the pile of finished product. These grab samples are to be mixed together and the final sample obtained from the composite.

The herein-described activity is to be extended, modified, added to, made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0020125, dated the 7th day of May 1999; with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the Environmental Quality Board and the Director of the Division of Environmental Protection.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0020125, dated the 7th day of May 1999; and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and for the invocation of all the enforcement procedures set forth in Chapter 22, Article 11, or 15 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Chapter 22, Articles 11 and 12 and/or 15 of the Code of West Virginia and is transferable under the terms of Section 11 of Article 11.



By: \_\_\_\_\_

Chief

BST/rb



GRANT AGREEMENT

This Grant Agreement entered into between the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the City of Cameron (the "Governmental Agency").

RECITALS

WHEREAS, the Council has authorized the Authority to make a grant to the Governmental Agency in the amount not to exceed \$2,865,000 (the "Grant") for the purposes of the design, acquisition or construction of a project for which a preliminary application has been submitted and approved by the Council;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such terms and conditions as are hereinafter set forth for the purposes of designing, acquiring or constructing the project described in Exhibit A attached hereto and incorporated herein by reference (the "Project");

WHEREAS, this Grant Agreement sets forth the Council, the Authority and the Governmental Agency's understandings and agreements with regard to the Grant.

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

TERMS

1. Prior to the distribution of the Grant, the Governmental Agency shall provide the Authority with a Project budget and an anticipated monthly draw schedule reflecting the receipt dates and amounts from other funding sources.

2. The Authority shall advance the Council's share of the Project costs from the Grant from time to time upon receipt of a requisition evidencing the costs incurred, which requisition must be satisfactory to the Council and the Authority.

3. The monthly requisition will also set forth (i) the amounts requested for that requisition period from all other funding agencies, and (ii) the amounts advanced for the Project to date from all other funding agencies.

4. The Governmental Agency will use the proceeds of the Grant only for the purposes specifically set forth in Exhibit A.

5. The Governmental Agency shall comply with and is bound by the Council's rules set forth as Title 167, Series 1 and more particularly Section 5.9 with respect to the sale of the Project.

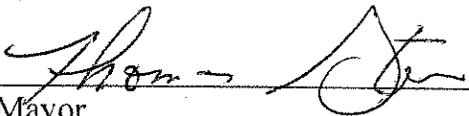
6. The Governmental Agency acknowledges that the Grant may be reduced, from time to time, to reflect actual Project costs and availability of other funding.

7. The Governmental Agency shall list the Grant provided by the Authority and the Council 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 groundbreaking or dedication of the Project.

8. This Grant Agreement shall be governed by the laws of the State of West Virginia.

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

CITY OF CAMERON

By:   
Its: Mayor

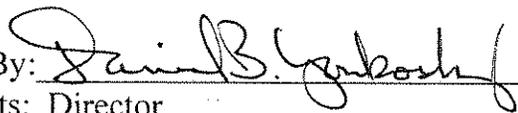
Date: 7/5/00

SEAL

ATTEST

  
Its: City Clerk

WEST VIRGINIA WATER  
DEVELOPMENT AUTHORITY

By:   
Its: Director

Date: 7/05/00

SEAL

ATTEST

  
Its: Secretary-Treasurer

Exhibit A

Project Description

The Project consists of a new wastewater treatment plant and replacing and rehabilitating the existing collection system, together with all appurtenant facilities.



STATE OF WEST VIRGINIA  
OFFICE OF THE GOVERNOR  
CHARLESTON 25305

CECIL H. UNDERWOOD  
GOVERNOR

December 15, 1998

The Honorable Thomas Stern  
Mayor  
City of Cameron  
44 Main Street  
Cameron, West Virginia 26033

Dear Mayor Stern:

Thank you for your application to the Small Cities Block Grant Program for fiscal year 1998.

I am pleased to approve your request in the amount of \$1,250,000. These funds will enable you to reconstruct and make improvements to Cameron's sewer system.

In order to effectively use the limited dollars available, I hereby commit \$750,000 from our fiscal year 1998 allocation which will be immediately available to you. The remaining \$500,000 necessary to complete this project will be evaluated and committed in the coming fiscal year. I encourage you to expedite this project and reach its completion as quickly as possible with this funding strategy in mind.

The West Virginia Development Office, Community Development Division staff, will contact you to complete the necessary contracts in order to proceed with your project.

It is with pleasure that I am able to work with you to make this improvement a reality for the citizens of Cameron.

Very sincerely,

A handwritten signature in black ink, appearing to read "Cecil H. Underwood", with a large, stylized flourish extending to the right.

Cecil H. Underwood

CHU:lla

cc: Region X



**CITY OF CAMERON**

**SEWERAGE SYSTEM DESIGN REVENUE BONDS,  
SERIES 1997 A  
(WEST VIRGINIA SRF PROGRAM)**

**BOND ORDINANCE**

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CITY OF CAMERON

ORDINANCE AUTHORIZING THE DESIGN OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF CAMERON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF 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 A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF CAMERON:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 16, Article 13 and Chapter 22C, Article 2 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 City of Cameron is a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants

of the Issuer that there be designed certain additions, betterments and improvements to the existing public sewerage system of the Issuer, consisting of a wastewater treatment facility and sewerage collection system, together with all appurtenant facilities (collectively, the "Project"), which constitute properties for the collection, transportation, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the existing public sewerage facilities of the Issuer, the Project and any further additions thereto or extensions thereof are herein called the "System").

C. The estimated revenues to be derived in each year will be sufficient to pay all costs of operation and maintenance of the System, the interest on and principal of the Series 1997 A Bonds and to make all payments into all funds and accounts and other payments provided for herein, all as such terms are hereinafter defined.

D. The Issuer intends to permanently finance the costs of design of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Water Pollution Control Revolving Fund program (the "SRF Program"), pursuant to the Act, in order to take advantage of the favorable terms available to the Issuer under the SRF Program.

E. It is deemed necessary for the Issuer to issue its Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program) (the "Series 1997 A Bonds"), in the total aggregate principal amount of not more than \$500,000, initially to be represented by a single bond, to permanently finance the costs of design of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; amounts which may be deposited in the Series 1997 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; fees and expenses of the Authority, including the SRF Administrative Fee (as hereinafter defined); discount; initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 1997 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the design of the Project; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 1997 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

F. The period of usefulness of the System is not less than 20 years.

G. There are no outstanding bonds or other obligations of the Issuer which will rank prior to or on a parity with or junior and subordinate to the Series 1997 A Bonds as to liens, pledge, source of and security for payment.

H. It is in the best interests of the Issuer that its Series 1997 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and among the Issuer, the Authority and the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment (the "DEP"), in form satisfactory to the Issuer, the Authority and the DEP (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the design of the Project and the operation of the System and issuance of the Series 1997 A Bonds, or will have so complied prior to issuance of any thereof.

J. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and the System; 95% or more of the Net Proceeds of the Series 1997 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the Issuer, all subordinate entities, all entities which issue obligations on behalf of the Issuer, and all entities formed or, to the extent provided under Section 148 of the Code, herein defined, availed of, to avoid the purposes of Section 148(f)(4)(D) of the Code and all other entities benefiting thereby, reasonably expect to issue less than \$5,000,000 aggregate principal amount of tax-exempt obligations (other than private activity bonds) during the calendar year in which the Series 1997 A Bonds are to be issued.

K. The Project has been approved 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 Series 1997 A Bonds by those who shall be 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 Registered Owners of any and all of such Series 1997 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 1997 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority.

"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 1997 A 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.

"City Clerk" means the City Clerk of the Issuer.

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

"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.

"Completion Date" means the completion date of the Project, as defined in the SRF Regulations.

"Consulting Engineers" means Lennon, Smith, Souleret Engineering, Inc., Coraopolis, Pennsylvania, 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 1.02E hereof to be a part of the cost of design of the Project.

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

"DEP" means the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment, or any other agency, board or department of the State that succeeds to the functions of the DEP.

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

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

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

"Governing Body" means the Council of the Issuer, 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.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and

reasonable provision for uncollectible accounts; provided, that "Gross Revenues" does not include any gains from the sale or other disposition of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

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

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

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

"Issuer" means the City of Cameron, a municipal corporation and political subdivision of the State of West Virginia, in Marshall 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 among the Authority, the DEP and the Issuer, providing for the purchase of the Series 1997 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

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

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

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

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

"Outstanding," when used with reference to Bonds 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 moneys, 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 additional Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or other entity or authority designated as such for the Series 1997 A Bonds in the Supplemental Resolution with the written consent of the Authority and the DEP.

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

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

"Project Fund" means the Project Fund established by Section 5.01 hereof.

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

(a) Government Obligations;

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

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

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

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

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

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

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

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

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

"Registrar" means the Bond Registrar.

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

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

"Revenue Fund" means the Revenue Fund created by Section 5.01 hereof.

"Series 1997 A Bonds" means the not more than \$500,000 in aggregate principal amount of Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program), of the Issuer.

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

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

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

"SRF Administrative Fee" means any administrative fee required to be paid pursuant to the Loan Agreement.

"SRF Program" means the State's Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of a capitalization grant award from the United States Environmental Protection Agency and funds of the State.

"SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

"State" means the State of West Virginia.

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

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Series 1997 A Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund and the Series 1997 A Bonds Reserve Account.

"System" means the complete properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, as

presently existing in its entirety or any integral part thereof, and shall include the Project and any additions, improvements and extensions thereto hereafter constructed or acquired for said system from any sources whatsoever.

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

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

## ARTICLE II

### AUTHORIZATION OF DESIGN OF THE PROJECT

Section 2.01. Authorization of Design of the Project. There is hereby authorized and ordered the design of the Project, at an estimated cost of not to exceed \$500,000. The proceeds of the Series 1997 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer will enter into contracts for the design of the Project, compatible with the financing plan submitted to the SRF Program.

The cost of the Project is estimated to be \$500,000, which will be obtained from the proceeds of the Series 1997 A Bonds.

### ARTICLE III

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

Section 3.01.        Authorization of Bonds. For the purposes of capitalizing interest on the Series 1997 A Bonds, funding a reserve account for the Series 1997 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 1997 A 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 negotiable Series 1997 A Bonds of the Issuer, in an aggregate principal amount of not more than \$500,000. The Series 1997 A Bonds shall be issued as a single Bond, designated as "Sewerage System Design Revenue Bond, Series 1997 A (West Virginia SRF Program)," and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 1997 A Bonds remaining after funding of the Series 1997 A Bonds Reserve Account (if funded from Bond proceeds) and capitalization of interest on the Series 1997 A Bonds, if any, shall be deposited in or credited to the Project Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

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

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

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

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

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

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

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

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

In all cases in which the privilege of exchanging Series 1997 A Bonds or transferring the registered Series 1997 A Bonds are exercised, all Series 1997 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 1997 A Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 1997 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 1997 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 1997 A Bonds or, in the case of any proposed redemption of Series 1997 A Bonds, next preceding the date of the selection of Series 1997 A 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 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

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

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 1997 A Bonds shall be secured forthwith by a first lien on the Net Revenues derived from the operation of the System. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 1997 A Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as the same become due.

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

- A. If other than the Authority, a list of the names in which the Series 1997 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;
- B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 1997 A Bonds to the original purchasers;
- C. An executed and certified copy of Bond Legislation;
- D. An executed copy of the Loan Agreement; and
- E. The unqualified approving opinion of bond counsel on the Series 1997 A Bonds.

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

[FORM OF BOND]

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
CITY OF CAMERON  
SEWERAGE SYSTEM DESIGN REVENUE BOND, SERIES 1997 A  
(WEST VIRGINIA SRF PROGRAM)

No. AR-\_\_\_\_\_

\$ \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CAMERON, a municipal corporation and political subdivision of the State of West Virginia in Marshall 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, 199\_\_\_\_, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference, with no interest. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing \_\_\_\_\_ 1, 199\_\_\_\_, as set forth on EXHIBIT B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Division of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and among the Issuer, the Authority and the DEP, dated \_\_\_\_\_, 199\_\_\_\_.

This Bond is issued (i) to pay a portion of the costs of design of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); (ii) [to fund a reserve account for the Bonds of this Series (the "Bonds"); and

(iii)] to pay certain costs of issuance hereof and related costs. The existing public sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on \_\_\_\_\_, 199\_\_\_\_, and a Supplemental Resolution duly adopted by the Issuer on \_\_\_\_\_, 199\_\_\_\_ (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1997 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 1997 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with or junior to the Bonds; provided however, that so long as there exists in the Series 1997 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding prior to or on a parity with or junior to the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CAMERON has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated \_\_\_\_\_, 199\_\_\_\_\_.

[SEAL]

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

Date: \_\_\_\_\_, 199 \_\_\_\_.

ONE VALLEY BANK, NATIONAL  
ASSOCIATION, as Registrar

By \_\_\_\_\_  
Its Authorized Officer



**EXHIBIT B**

**SCHEDULE OF ANNUAL DEBT SERVICE**

(Form of)

ASSIGNMENT

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

Dated: \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

In the presence of:

\_\_\_\_\_

Section 3.11.      Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 1997 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the City 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. Within 60 days following the Completion Date, the Issuer will file with the Authority a schedule in substantially the form of the "Amended Schedule A" to the Loan Agreement, setting forth the actual costs of design 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) Project 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 1997 A Bonds Sinking Fund; and
- (2) Within the Series 1997 A Bonds Sinking Fund, the Series 1997 A Bonds Reserve Account.

Section 5.03.      System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System 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 revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

- (1) The Issuer shall first, each month, pay from the Revenue Fund the Operating Expenses of the System.
- (2) The Issuer shall next, on the first day of each month, commencing 3 months prior to the first date of payment of principal of the Series 1997 A Bonds, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1997 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 1997 A Bonds on the next ensuing quarterly principal payment date;

provided that, in the event the period to elapse between the date of such initial deposit in the Series 1997 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

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

(4) The Issuer shall next, on the first day of each month, from the moneys remaining in the Revenue Fund, transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided that, any deficiency 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 herein, shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

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

All investment earnings on moneys in the Series 1997 A Bonds Sinking Fund and the Series 1997 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall be deposited in the Revenue

Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 1997 A Bonds and then to the next ensuing principal payment due thereon.

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

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

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

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

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

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

B. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinabove 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 the Act, such excess shall be considered as surplus revenues (the "Surplus Revenues"). Surplus Revenues may be used for any lawful purpose of the System.

C. The Issuer shall on the first day of each month (if such day is not a business day, then the next succeeding business day), deposit with the Commission the required interest, principal and reserve payments with respect to the 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. 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 also on the first day of each month (if such day is not a business day, then the next succeeding business day) deposit with the Commission the SRF Administrative Fee as set forth in Schedule Y attached to the Loan Agreement.

D. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement as Exhibit F, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of each calendar month.

E. 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 paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically deducted from the Revenue Fund and transferred to the Commission on the dates required.

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

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

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

## ARTICLE VI

### BOND PROCEEDS

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

A. From the proceeds of the Series 1997 A Bonds, there shall first be deposited with the Commission in the Series 1997 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

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

C. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 1997 A Bonds, such moneys shall be deposited with the Depository Bank in the Project Fund and applied solely to payment of 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 1997 A Bonds.

D. After completion of design of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 1997 A Bonds shall be used to fund the Series 1997 A Bonds Reserve Account, if not funded upon issuance of the Series 1997 A Bonds, in an amount not to exceed the Series 1997 A Bonds Reserve Requirement; provided that, in no event shall more than 10% of the proceeds of the Series 1997 A Bonds be deposited in the Series 1997 A Bonds Reserve Account.

Section 6.02. Disbursements From the Project Fund. On or before the Closing Date, the Issuer shall have delivered to the Authority and the DEP a report listing the specific purposes for which the proceeds of the Series 1997 A Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Project Fund shall be made only after submission to, and approval from, the Authority and the DEP of the following:

- (1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement as Exhibit C, and

(2) a certificate, signed by an Authorized Officer and the Consulting Engineers, stating:

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

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

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

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

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

## ARTICLE VII

### ADDITIONAL COVENANTS OF THE ISSUER

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

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

Section 7.03.      Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 1997 A Bonds shall be secured forthwith by a first lien on the Net Revenues derived from the operation of the System. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 1997 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04.      Rates and Charges. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the sewer rate ordinance of the Issuer enacted on March 17, 1997.

Section 7.05.      Sale of the System. So long as the Series 1997 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the DEP, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds Outstanding or to effectively defease the pledge created by this Bond Legislation in accordance with Section 10.01 hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 1997 A Bonds, immediately be remitted to the Commission for deposit in the Series 1997 A Bonds Sinking Fund, and, with the written 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 on the Series 1997 A Bonds as prescribed by Section 10.01 hereof. Any balance remaining after the payment of the

Bonds and the interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, 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, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine, upon consultation with the Consulting Engineers, that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amount 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, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$50,000 and insufficient to pay all Bonds then Outstanding, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 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 1997 A Bonds. All obligations issued by the Issuer after the issuance of the Series 1997 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 1997 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds

and accounts established by this Bond Legislation at the time of the issuance of such subordinate obligations have been made and are current.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 1997 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 1997 A Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the DEP 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 Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 1997 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the DEP and without complying with the conditions and requirements herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1997 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of design, acquisition or construction of additions, extensions, improvements or betterments to the System or refunding the Series 1997 A Bonds issued pursuant hereto, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the 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 Parity Bonds, plus the estimated average increased annual Net Revenues expected to be received in each of the 3 succeeding years after the date of issuance of 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 expected 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 the improvements to be financed by such Parity Bonds and any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the 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 City Clerk prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12 consecutive month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, as stated in a certificate, 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 covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. All the Series 1997 A Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Net Revenues of the System, and their source of and security for payment from the Net Revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 1997 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 1997 A Bonds.

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 with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of the Parity Bonds, and the Issuer then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

Section 7.08. Books; Records and Facilities. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of designing the Project. The Issuer shall permit the Authority and the DEP, 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 DEP such documents and information as they may reasonably require in connection with the design 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 DEP, or their agents and representatives, to inspect all records pertaining to the operation of the System at all reasonable times.

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 Governing Body. The Governing Body 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 Governing Body shall be reported to such agent of the Issuer as the Governing Body shall direct.

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

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

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

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with

OMB Circular 128 and the Single Audit Act and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 1997 A Bonds and shall submit said report to the Authority and the DEP, or any other original purchaser of the Series 1997 A Bonds. Such audit report submitted to the Authority and the DEP shall include a statement that the Issuer is in compliance with the terms and provisions of the Loan Agreement, the Act 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.

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in Exhibit E of the Loan Agreement or as promulgated from time to time.

The Issuer shall provide the Authority and the DEP, 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 DEP with respect to the System pursuant to the Act.

Section 7.09.      Rates. Equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Recorder, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from said System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created (or, where appropriate, continued) hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 1997 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with or junior to the Series 1997 A Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 1997 A Bonds Reserve Account and any reserve accounts for obligations prior to or on a parity with or junior to the Series 1997 A Bonds are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 1997 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with or junior to the Series 1997 A Bonds. In any event, subject to any requirements of law, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04 hereof.

Section 7.10. Operating Budget; Audit and Monthly Financial Report.

The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the DEP within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by the Consulting Engineers, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of the Consulting Engineers that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority, the DEP 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, within 30 days of adoption thereof, and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

In addition, the Issuer shall annually cause the records of the System to be audited by an Independent Certified Public Accountant in compliance with OMB Circular 128 and the Single Audit Act, the report of which audit shall be submitted to the Authority and the DEP and which audit report shall include a statement that the Issuer is in compliance with the terms and provisions of this Bond Legislation, the Act and the Loan Agreement and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

Section 7.11. 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 7.12. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

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

Section 7.13.      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 the Issuer shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such 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 7.14.      Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 1997 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

- (1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of

all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for said Renewal and Replacement Fund.

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

(3) WORKER'S COMPENSATION COVERAGE for all employees of or for the System eligible therefor.

(4) 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.

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

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

Section 7.15. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Division of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Division of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

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

Section 7.16.      Permits. The Issuer will cause the Project to be designed 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 operation of the System.

Section 7.17.      Compliance with Loan Agreement and Law. The Issuer agrees to 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 DEP with copies of all documents submitted to the Authority.

The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the Authority, the DEP or other state, federal or local bodies in regard to the design of the Project and the operation, maintenance and use of the System.

Section 7.18.      Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A.    PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 1997 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 1997 A Bonds during the term thereof is, under the terms of the Series 1997 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 1997 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 1997 A Bonds during the term thereof is, under the terms of the Series 1997 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 1997 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 1997 A Bonds are for the purpose of financing more than one project,

a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related. All of the foregoing shall be determined in accordance with the Code.

B. **PRIVATE LOAN LIMITATION.** The Issuer shall assure that not in excess of 5% of the Net Proceeds of the Series 1997 A Bonds or \$5,000,000 are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

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

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

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

Section 7.19. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

## ARTICLE VIII

### INVESTMENT OF FUNDS; NON ARBITRAGE

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

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission 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 Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 1997 A Bonds from gross income for federal income tax purposes.

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

for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

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

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

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be

requested by the Authority. In addition, the Issuer shall cooperate with the Authority in preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

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

## ARTICLE IX

### DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 1997 A Bonds:

- (1) If default occurs in the due and punctual payment of the principal of or interest on the Series 1997 A Bonds; or
- (2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 1997 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 1997 A 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 design of the Project and 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 the Series 1997 A 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 design of

the Project on behalf of the Issuer, with the power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

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

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the design 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

### DEFEASANCE

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

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

## ARTICLE XI

### MISCELLANEOUS

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

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 1997 A 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 1997 A Bonds.

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

Section 11.05. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the City 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 11.07. Effective Date. This Ordinance shall take effect immediately following public hearing hereon.

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 Moundsville Daily Echo, a newspaper of general circulation in the City of Cameron, no newspaper being published therein, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 1997 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Passed on First Reading: - July 7, 1997  
Passed on Second Reading: - July 21, 1997  
Passed on Final Reading  
Following Public  
Hearing: - August 4, 1997

  
\_\_\_\_\_  
Mayor

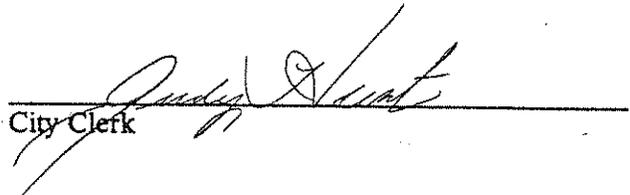
CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF CAMERON on the 4th day of August, 1997.

Dated: November 13, 1997.

[SEAL]

City Clerk

A handwritten signature in cursive script is written over a horizontal line. The signature appears to be "Randy Hunt".

10/16/97  
123610/97001

EXHIBIT A

Loan Agreement included in bond transcript as Document No. 3

CITY OF CAMERON

Sewerage System Design Revenue Bonds, Series 1997 A  
(West Virginia SRF Program)

SUPPLEMENTAL RESOLUTION

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

WHEREAS, the council (the "Governing Body") of the City of Cameron (the "Issuer"), has duly and officially adopted and enacted a bond ordinance, effective August 4, 1997 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE DESIGN OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF CAMERON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF 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 A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE

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

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

WHEREAS, the Bond Ordinance provides for the issuance of Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program), of the Issuer (the "Bonds" or "Series 1997 A Bonds"), in the aggregate principal amount not to exceed \$500,000, and has authorized the execution and delivery of a loan agreement relating to the Bonds dated September 9, 1997 (the "Loan Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP"), all in accordance with Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

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

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF CAMERON:

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 Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$450,000. The Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2018, and shall bear no interest. The principal of the Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 1998, and ending March 1, 2018, and in the amounts as set forth in "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Bonds.

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

Section 3. The Issuer does hereby approve and shall pay the administrative fee equal to 1% of the principal amount of the Bonds set forth in the "Schedule Y" attached to the Loan Agreement.

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

Section 5. The Issuer does hereby appoint and designate One Valley Bank, National Association, 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 One Valley Bank, Cameron, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 8. Series 1997 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 1997 A Bonds Sinking Fund, as capitalized interest.

Section 9. Series 1997 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 1997 A Bonds Reserve Account.

Section 10. The balance of the proceeds of the Bonds shall be deposited in or credited to the Project Fund as received from time to time for payment of costs of the design of the Project, including costs of issuance of the Bonds and related costs.

Section 11. The Mayor and the City 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 November 13, 1997, to the Authority pursuant to the Loan Agreement.

Section 12. The design of the Project and the financing thereof in part with proceeds of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. The Issuer hereby determines to invest all moneys in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Moneys in the Series 1997 A Bonds Sinking Fund, including the Series 1997 A Bonds Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

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

Adopted this 3rd day of November, 1997.

CITY OF CAMERON

  
\_\_\_\_\_  
Mayor

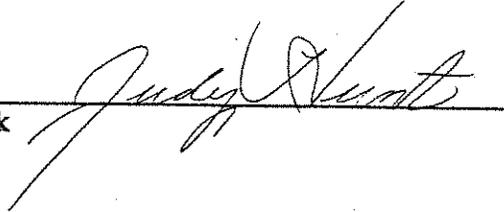
CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Cameron on the 3rd day of November, 1997.

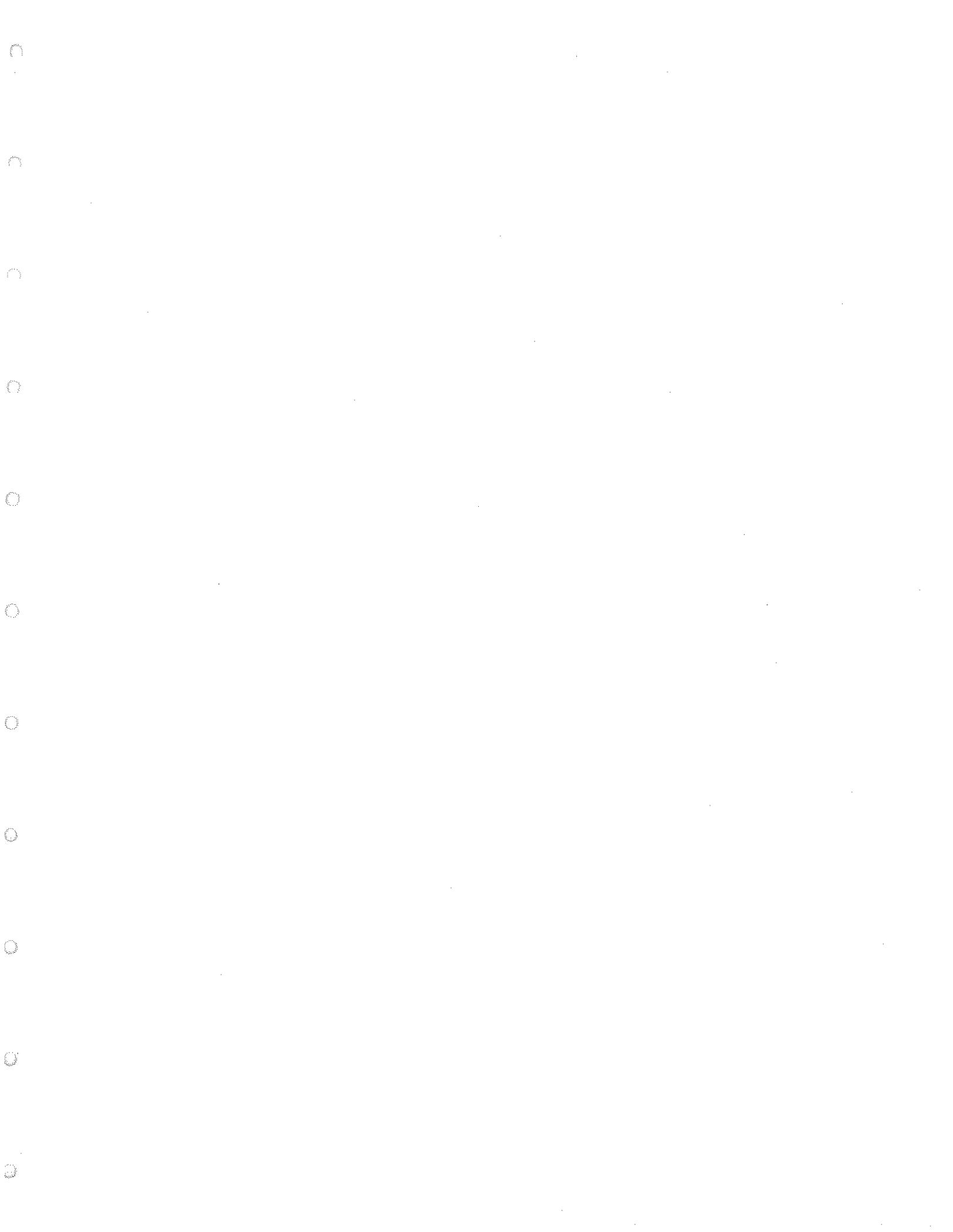
Dated: November 13, 1997.

[SEAL]

City Clerk

A handwritten signature in cursive script, appearing to read "Judy A. Hunt", is written over a horizontal line. The signature is positioned to the right of the printed text "City Clerk".

10/13/97  
123610/97001





State of West Virginia  
**WATER DEVELOPMENT AUTHORITY**

180 Association Drive, Charleston, WV 25311-1571  
(304) 558-3612 - (304) 558-0299 (Fax)  
Internet: [www.wvwda.org](http://www.wvwda.org) - Email: [contact@wvwda.org](mailto:contact@wvwda.org)

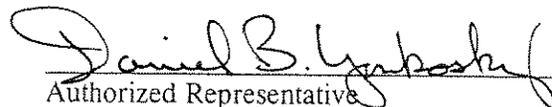
July 13, 2000

City of Cameron  
Sewer Revenue Bonds, Series 2000 A  
(West Virginia Infrastructure Fund)

TO WHOM IT MAY CONCERN:

In reliance upon the certificate of the certified public accountant of the Issuer, the undersigned duly authorized representative for the West Virginia Water Development Authority, the registered owner of the entire outstanding aggregate principal amount of the Series 1997 A Bonds, hereinafter defined and described, hereby consents to the issuance of the Sewer Revenue Bonds, Series 2000 A (West Virginia Infrastructure Fund) (the "Bonds"), in the original aggregate principal amount of \$2,530,188 by the City of Cameron (the "Issuer"), under the terms of the ordinance authorizing the Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's outstanding Sewerage System Design Revenue Bonds, Series 1997 A (West Virginia SRF Program) (the "Series 1997 A Bonds").

WEST VIRGINIA WATER DEVELOPMENT  
AUTHORITY

  
Authorized Representative



# MEMORANDUM

**To:**            **Financing Team**  
**From:**        **John C. Stump, Esquire**  
**Date:**        **July 13, 2000**  
**Re:**            **Wiring/Closing Memo - City of Cameron Sewer Revenue Bonds, Series 2000 A**  
                    **(West Virginia Infrastructure Fund)**

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1.    DISBURSEMENTS TO CITY OF CAMERON

Payor:           West Virginia Infrastructure and Jobs Development Council (West Virginia Infrastructure Fund)  
Amount:         \$42,765  
Form:            Wire Transfer  
Payee:           City of Cameron  
Bank:            One Valley Bank - North, Inc.  
Routing #:       043401019  
Account #:       0003233322  
Contact:         Ms. Nancy Parsons (304) 686-3351  
Account:         Series 2000 Bonds Construction Trust Fund

07/12/00

CH393347.1