THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

CLOSING DATE: May 22, 2001

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

CLOSING DATE: May 22, 2001

Transcript of Proceedings

I. Authorizing Documents

		INDEX
1.1	Copy of the Charter of The City of Charleston, West Virginia (the "City").	1
1.2	Copy of the Section of the Code of City and copy of Ordinance creating the Sanitary Board.	2
1.3	Oaths of office of Mayor, City Clerk, and Council Members.	3
1.4	Sewerage System Bond Ordinance No. 6777 (the "Ordinance").	4
1.5	Minutes of Council meeting held March 5, 2001 regarding first reading of the Ordinance.	5
1.6	(a) Minutes of meeting held by Council on March 19, 2001, regarding second reading and passage of the Ordinance, which included abstract and notice of public hearing.	
	(b) Minutes of meeting held by Council on April 2, 2001, regarding the public hearing.	6
1.7	Resolution No. 732-01 adopted by Council on April 2, 2001, placing the Ordinance into effect and authorizing the above-referenced Bonds (the "Supplemental Resolution") and Minutes of April 2, 2001 Council meeting.	7
1.8	Affidavit of publication of the abstract of the Ordinance and notice of public hearing published in the Charleston Gazette and The Charleston Daily Mail.	8
1.9	[Reserved]	9

II. Authorizing Merger Documents

2.1	Affidavit of Publication of Notice of Proposed Merger published in the Charleston Gazette.	10
2.2	Merger Agreement between the Sanitary Board of the City of Charleston and Guthrie Public Service District.	11
2.3	Copy of Resolution of the Board of Guthrie Public Service District (the "District") approving the merger, dated May 8, 2001.	12
2.4	Minutes of Board meeting held May 8, 2001 regarding approval of merger.	13
2.5	Order(s) of The County Commission of Kanawha County approving the merger and dissolving the District.	14
2.6	Copy of the Commission Order in Case No. 00-0152-PSD-PC, dated January 2, 2001, approving the merger of Guthrie Public Service District into the City's Sanitary Board, approving the assumption of debt and approving the rates.	15
2.7	Escrow Agreement among the City, The County Commission of Kanawha County and Branch Banking and Trust Company.	16

III. Certificates and Receipts

3.1	General Certificate signed by the Mayor, City Clerk and Attorney of the City.	17
3.2	Certificate of City Clerk as to Truth and Accuracy of Documents Delivered.	18
3.3	Certificate as to Non-Arbitrage.	19
3.4	Certificate of Certified Public Accountants as to Coverage and Parity regarding the City's current outstanding debt and the assumed debt of the District.	20
3.5	Registrar's Agreement.	21

3.6	Request and Authorization as to Authentication and Delivery of the Bonds.	22
3.7	Certificate of Registration of Bonds.	23
3.8	Receipt for Bonds.	24
3.9	IRS Form 8038-G.	25
3.10	Municipal Bond Commission New Issue Form.	26
3.11	(a) Consent of West Virginia Water Development Authority.	
	(b) City's Certificate with Respect to Parity Bonds.	27

IV. Conveyance Documents

4.1	Deed.	28
4.2	Bill of Sale.	29

V. Opinions

5.1	Opinion of Jackson & Kelly PLLC, dated May 22, 2001, regarding the tax status of the existing bonds and the assumed bonds.	30
5.2	Opinion of Jill M. Harlan, Esquire, City Attorney, dated May 22, 2001.	31
5.3	Title Opinion of H. Wyatt Hanna, III, Esq., Counsel to the Sanitary Board, dated May 22, 2001.	32

The closing of The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series B and The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series C (collectively, the "Bonds"), will take place at the office of Water Development Authority, Charleston, West Virginia, at 10:30 a.m. prevailing time on May 22, 2001. No transaction shall be deemed to have been completed and no documents shall be deemed to have been delivered unless or until all transactions are complete and all documents delivered.

JACKSON & KELLY PLLC
ATTORNEYS AT LAW
1600 LAIDLEY TOWER
P. O. BOX 553
CHARLESTON, WEST VIRGINIA 25322

TELEPHONE 304-340-1000 TELECOPIER 304-340-1130

http://www.jacksonkelly.com

217 WEST BURKE STREET
MARTINSBURG, WEST VIRGINIA 25401
TELEPHONE 304-263-8800

256 RUSSELL AVENUE
NEW MARTINSVILLE, WEST VIRGINIA 26155
TELEPHONE 304-455-1751

6000 HAMPTON CENTER
MORGANTOWN, WEST VIRGINIA 26505
TELEPHONE 304-599-3000

412 MARKET STREET
PARKERSBURG, WEST VIRGINIA 26101
TELEPHONE 304-424-3490

1000 TECHNOLOGY DRIVE
FAIRMONT, WEST VIRGINIA 26554
TELEPHONE 304-368-2000

1144 MARKET STREET
WHEELING, WEST VIRGINIA 26003
TELEPHONE 304-233-4000

1099 18TH STREET
DENVER, COLORADO 80264
TELEPHONE 303-390-0003

175 EAST MAIN STREET
LEXINGTON, KENTUCKY 40588
TELEPHONE 859-255-9500

2401 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20037
TELEPHONE 202-973-0200

MEMBER OF LEX MUNDI,
THE WORLD'S LEADING ASSOCIATION
OF INDEPENDENT LAW FIRMS.

304-340-1318
Writer's Telecopier No.: 304-340-1080
E-mail: sgee@jacksonkelly.com

September 18, 2001

VIA HAND DELIVERY
R. Witter Hallan
Executive Director
West Virginia Municipal Bond Commission
Suite 500
8 Capitol Street
Charleston, WV 25301

Re: $823,741 The City of Charleston, West Virginia
Sewerage System Revenue Bonds, 2001 Series B
$30,492 The City of Charleston, West Virginia
Sewerage System Revenue Bonds, 2001 Series C
(Guthrie PSD)

Dear Witter:

Enclosed is the transcript of closing documents for the above-referenced financing. Please contact me at 340-1318 if you have any questions with respect to the transcript.

Thank you for your assistance in closing this financing.

Very truly yours,

Samme L. Gee

SLG:lp

Enclosure

C0537725.1

Bill No. 6050

Introduced in Council
October 17, 1994

Passed by Council
12/5/94

Introduced by
Councilwoman Nielsen

Referred to
Ordinances and Rules

Bill No. 6050--An Ordinance amending Section 35 of the Charter of the City of Charleston, West Virginia, to change the date of the City General Election of City Offices to the third Tuesday in May, 1999, and at intervals of four years thereafter, and adjusting the commencement dates of terms of City Officers.

WHEREAS, the Charter of the City of Charleston, West Virginia provides in Section 35 of said Charter that the election of City Offices shall be held on the third Monday in April 1931, and at intervals of four years thereafter, and their terms of office shall begin on the first Monday of May after their election, and

WHEREAS, the West Virginia State Legislature has enacted certain statutes effecting the time periods for certain matters relating to elections, and

WHEREAS, the Council of the City of Charleston, West Virginia has determined that it is necessary, convenient and expedient for the aforesaid reasons to amend Section 35 of the Charter of the City of Charleston, West Virginia to change its City General Election date from the third Monday of April to the third Tuesday in May beginning in 1999, and at intervals of four years thereafter, with the city officers term of office to begin on the third Monday of June after their election; therefore, be it

<u>Ordained by the Council of the City of Charleston, West Virginia:</u>

<u>Sec. 35. Election and term of office of elective officers; salary of mayor; appointments by mayor; appointment of city clerk; appointments by manager; term of appointive officers; duties of mayor and city solicitor; salary of solicitor; fees.</u>

The Mayor, members of council, municipal judge and treasurer elected on the third Monday in April 1995, shall begin their term on the 1st Monday in May after their election and shall hold office until the third Monday in June, 1999, and their successors shall be elected on the third Tuesday in May, 1999, and at intervals of four years thereafter and their term shall begin on the third Monday of June after their election. The mayor's salary shall not be less than three thousand nor more than five thousand dollars per annum.

The mayor shall appoint the city solicitor, an assistant city solicitor, the chief of police, human officer or officers, building inspector, collector, city auditor, engineer, health commissioner, lockup keeper, municipal court clerk, and the chief of the fire department, and these appointments shall not require any confirmation by the council but shall be made at the discretion of the mayor, who shall, with like discretion, have the full and complete power of removal thereof. The mayor shall appoint the manager, by and with the advice and consent of the council. The council shall, either at a regular or special meeting called for that purpose, pass upon such nomination and either confirm or reject the same, and if such nomination is rejected, then the mayor shall submit to the council a further nomination of some other person or persons until the nomination is confirmed by council, for said office of manager, but it shall be the duty of the council to pass upon all nominations without unreasonable delay; and in any event within two weeks after the submission of the same, and the failure of members of the council to pass thereon within such time shall be cause for the removal from office of such members of the council as shall have refused to act thereon.

The council shall appoint a city clerk. The manager shall appoint or employ such persons as the ordinances of the city may require or the council may authorize by proper resolution. All such officers shall be appointed for the term of four years and until their successors are appointed and qualified, unless they are removed in the way and manner in this act (this Charter) provided.

It shall be the duty of the mayor to attend all meetings of the council and preside over that body.

It shall be the duty of the mayor to see that all of the laws and ordinances of the city are enforced and he shall have a general oversight over the peace, health and good order of the city.

The duties of the city solicitor or assistant city solicitor shall be to attend the sessions of council (and) to prosecute all suits in behalf of the city and defend all suits against the city, to advise the council and all of the departments of the city and in general to look after the interests of the city when it shall need legal services. The salary of the solicitor shall be not less than three thousand nor more than five thousand dollars per annum.

All fees of every kind collected by any officer or employee, including the municipal judge when acting as a justice, shall be paid to the city treasurer. (Acts 1929(Munl.ch.), ch. 4 35).

This ordinance shall become effective January 2, 1995.

PART I.

THE CHARTER.

Editor's note.--According to the West Virginia Blue Book, 1973, page 820, the community which is now Charleston was "originally chartered in 1794, as Charles Town-----, [so] named by George Clendenin, one of the earliest settlers, for his father, Charles Clendenin." It became "Charleston" by Acts of Assembly 1817-18, ch. CXV, p. 160 et seq., passed January 19, 1818, which provided, in pertinent part, that "the town of Charles Town in the county of Kanawha, as the same has been heretofore laid off under the several acts of Assembly for that purpose--- shall be, and the same is hereby erected into a town corporate, to be known and distinguished by the name of 'Charleston'-----." These Acts were, of course, those of the general assembly of the Commonwealth of Virginia. The first Act of the West Virginia legislature amending the town Charter was that of 1867, ch. 127, p. 155; and Charleston became a city by Acts 1875, ch. 39, p. 47, which provided, inter alia, for a common council consisting of a mayor, recorder and nine councilmen, a body politic by name "The City of Charleston."

The present charter, herein set out, is a legislative charter, Acts 1929 (Muni. Ch.), ch. 4 as amended; the historical citations following each section indicating the derivation thereof and amendments, if any. The 1929 charter act was approved by the governor on March 8, 1929, and became effective upon passage. Many section catchlines have been changed by the editors to more clearly and more fully indicate the contents of the sections, and are not to be regarded as official; years have been changed from words to numerals; a uniform system of capitalization has been adopted; in some sections italicized words are printed in Roman; and words and figures in brackets have been supplied by the editors for the purpose of clarity.

For a list of home rule ordinances amendatory of the Charter, see table 3, in part III of this Code.

The legislature, in its 1969 revision and con-

solidation of chapters 8 and 8A of the Code of West Virginia into a new chapter 8, recognized, in section 8-1-6, "that when the provisions of existing special legislative charters are compared with and are considered in the light of the provisions of this chapter, [i.e., the new chapter 8], there are five basic possibilities as to the relationship between such charter provisions and the provisions of this chapter, namely: (1) As to any particular charter provisions, such charter provisions may be inconsistent or in conflict with the pertinent provisions of this chapter; (2) although relating to the same subject matter and although not inconsistent or in conflict with any provisions of this chapter, certain charter provisions may be sufficiently different from pertinent provisions of this chapter as to indicate, as a matter of practical construction, that either the charter provisions or the provisions of this chapter, but not both, should be applicable; (3) although varying in certain respects, certain charter provisions may be similar to and in essential harmony with corresponding provisions of this chapter; (4) as to any particular charter provisions, there may be no counterpart of such provisions in this chapter; and (5) as to any provisions of this chapter, there may be no counterpart charter provisions."

Section 8-1-6, therefore, sets forth certain rules to be applied, in addition to the usual and ordinary rules of statutory construction, with respect to construction and applicability of legislative charters, and it is suggested that users of this city Code refer to W. Va. Code, § 8-1-6, in determining the present construction and applicability of any portion of the Charleston Charter to any given situation.

For state law as to revising or amending a city Charter, see W. Va. Code, §§ 8-4-7, 8-4-8.

§ 1. Charleston made a city corporate and body politic.
§ 2. Corporate limits.
§ 3. Twenty wards established.
§ 4. Municipal authorities: elective officers and qualifications for holding office.
§ 5. Officers in addition to elective officers; salaries.

§ 6. Corporate power vested in council.
§ 7. Enumeration of numerous miscellaneous powers of council; jurisdiction beyond corporate limits.
§ 7-a. Authority of council, municipal judge, circuit and common pleas courts and judges relating to city licenses.
§ 7-b. Regulation of operation of motor vehicles.
§ 8. Persons entitled to vote.
§ 9. Boundaries of voting precincts; registration books; registering voters; transfer from one precinct to another; duties of county court.
§ 9-a. Special registrars; compensation of county court and clerk; delivery of registration books to city clerk; return to clerk of county court.
§ 10. Nomination of candidates.
§ 11. When county and city voting precincts to be the same; how elections to be held.
§ 12. Law governing preparation of ballot and method of voting.
§ 13. The council--Title; how constituted.
§ 14. Same--Qualifications; vacancies.
§ 15. Same--Mayor; clerk; president pro tempore.
§ 16. Same--Representation of new ward.
§ 17. Same--Exercise of legislative functions; information, etc., from officers and employees.
§ 18. Audit of books and accounts.
§ 19. Removal of officers by council or by circuit court of Kanawha County, or by officers having appointment authority.
§ 20. Rules and regulations for government of council; record of meetings.
§ 21. Regular meetings of council.
§ 22. Special meetings of council.
§ 23. Council procedure for contested elections, and right of appeal to circuit court.
§ 24. Oath of officers; how and within what time officers must qualify; failure to qualify vacates office.
§ 25. Bonds of officers and employees; record of bonds.
§ 26. Quorum of council; compelling attendance of absent members.
§ 27. Voting in council and recording of votes.
§ 28. City clerk is ex officio clerk of the council; council minutes and admissibility thereof in evidence.
§ 29. Holding two offices.
§ 30. Failure of mayor or other officer to make appointments.
§ 31. Vacancy in office of mayor or treasurer; vacancy in office of appointive officer; officers hold office until successors qualified, unless previously removed.
§ 32. Corruption in office.
§ 33. Power of council to compel attendance of witnesses and production of records, administer oaths and punish for contempt.
§ 34. Absence or inability of certain officers to perform duties.

§ 35. Election and term of office of elective officers; salary of mayor; appointments by mayor; appointment of city clerk; appointments by manager; term of appointive officers; duties of mayor and city solicitor; salary of solicitor; fees.
§ 36. Appointment, compensation, powers and duties of the manager.
§ 37. Franchises--Granting; requirements and limitations governing; vote of council required.
§ 38. Same--Advertisement of application; submission to voters.
§ 39. Committees of council; adjournment of council meetings; postponement of announcement of vote.
§ 40. Style of ordinances.
§ 41. Passage of ordinances; revision, reenactment or amendment; effective date; publication of caption or title; resolutions and orders.
§ 42. Ordinances to be spread on records of council; "ordinance record"; code of ordinances.
§ 43. Officers conservators of the peace.
§ 44. Powers and duties of municipal judge; maximum imprisonment for violation of ordinance; appeal; expense of maintaining persons committed to county jail.
§ 45. Qualifications of municipal judge; not to appear as counsel in criminal cases; absence or inability to perform duties; bond.
§ 46. Bail.
§ 47. Authority of council, manager and police officers relating to nuisances; duties and responsibilities of owners and occupants of property; enforcement.
§ 48. Connection with sewer system.
§ 49. Construction of sidewalks, curbs and gutters; duty of county clerk to record assessments.
§ 50. Annual estimate for tax levy.
§ 51. Authority to levy and collect taxes; limit of taxation.
§ 52. Collection of taxes.
§ 53. Powers of collector.
§ 54. Distress for collection of taxes.
§ 55. Lien on real estate for taxes--Established; enforcement by suit in court of record; priority of lien.
§ 56. Same--Enforcement by tax sale.
§ 57. Limitation on authority of county to tax persons and property within city for streets, education or poor outside city limits; control of streets and schools within city; joint ownership of bridges.
§ 58. Depositories.
§ 59. Bonds--Authority to issue; purposes; interest; limit; taxation to pay interest and principal.
§ 59-a. Same--For improvement of streets.
§ 60. Same--In anticipation of special assessments for street improvements or sewer construction; limitation on indebtedness.
§ 61. Contracts for improvement of streets; assessment of cost.
§ 62. Sewerage assessments against owners of abutting property; requiring connection with sewer; including cost of drains in cost of street improvement.

§ 62-a. Construction of sewer systems or common, lateral, branch, trunk or combined sewers.
§ 63. Resolution declaring necessity for street improvement--Required; procedure for adoption.
§ 64. Same--Service on property owners of notice of passage.
§ 65. City executive committees of political parties.
§ 66. Bonds to pay city's cost of improvement of streets, etc.
§ 67. Hearing of property owners affected by improvements; ordinance concerning improvement.
§ 68. Special assessments when several kinds of materials have been named in ordinance providing for improvement.
§ 69. Vote of council required for public improvement; petition by property owners.
§ 70. Assessment when public improvement passes through or by public property or property of institution.
§ 71. What cost of improvement shall include.
§ 72. Filing statement as prerequisite to action for damages arising out of improvement.
§ 73. Liberal construction of proceedings with respect to improvements.
§ 74. Election and three-fifths vote required for issuance of bonds; regulations governing.
§ 75. Authority of council to lay special levies in years 1929 and 1930 for special purposes.
§ 76. Power of council as to public buildings, hospitals, libraries, etc.
§§ 77, 78 and 79. Fire department civil service.
§ 80. Political activities by members of fire or police departments.
§ 81. Service of notice, summons, warrant, etc.
§ 82. Contested elections for council.
§ 83. Duties of city clerk as to municipal elections.
§ 84. Valid ordinances and regulations passed on or before May 1, 1915, not inconsistent with this Charter, to remain in effect until repealed.
§ 85. Powers and duties of policemen.
§ 86. Compensation of members of council; absence from meetings.
§ 87. Reports by manager to council; reports by officers and employees under supervision of manager.
§ 88. Additional method for paving streets; assessment certificates.
§ 88-a. Void, irregular or omitted assessments.
§ 88-b. Assessment certificates to pay for cost of construction of sewers and sewer systems.
§ 88-c. Subdividing abutting land for purpose of making assessments.
§ 89. Initiation of ordinances by voters.
§ 90. Reconsideration of ordinance protested by petition; submission of ordinances to voters.
§ 91. Recall of officers.
§ 92. Signatures and affidavits to petitions filed under three preceding sections; form of submission of ordinance; all city elections to conform to state law.
§ 93. Additional method for construction of sidewalks; assessment certificates.

§ 93-a. Transcript of property to be furnished by county assessor.
§ 94. Authority to issue warrants; vacancy in office of municipal judge.
§ 95. Statement of claim before action against city for damages for personal injury.
§ 96. Health commissioner.
§ 97. Police matron.
§ 98. Codification of ordinances.
§ 99. Cemeteries and burials.
§ 100. Building inspector.
§ 101. Power to buy, sell or exchange real estate.
§ 102. Zoning--Power of city.
§ 102-a. Same--Division of city into zoning districts.
§ 102-b. Same--Design of zoning regulations; considerations in making.
§ 102-c. Same--Establishment, enforcement and change of zoning regulations and boundaries of zoning districts; hearing.
§ 102-d. Same--Change or repeal of zoning regulations and boundaries; protests.
§ 102-e.¶1. Same--Zoning commission.
§ 102-e.¶2. Repeal of inconsistent laws.

Sec. 1. Charleston made a city corporate and body politic.

The inhabitants of all that part of the County of Kanawha included and centered within the limits hereafter prescribed in section two are hereby made a city corporate and body politic by the name of "The City of Charleston," and as such city it shall have perpetual succession and a common seal, and by that name it may sue and be sued, plead and be impleaded, and may purchase, hold, lease or sell real estate and personal property necessary to the discharge of its corporate duties, or needful or convenient for the good order, government and welfare of said corporation. (Acts 1929 (Muni. ch.), ch. 4, § 1.)

Sec. 2. Corporate limits.

The corporate territorial limits of the City of Charleston shall comprise all that part of the magisterial district of Charleston and all that part of the territory of the magisterial district of Loudon in the County of Kanawha and State of West Virginia, which is bounded and described as follows, to-wit:

Editor's note.--The remainder of this section, which describes by metes and bounds the city boundary as it existed on March 6, 1929, is omitted as obsolete due to annexation of territory and minor boundary adjustments since that date. For complete text of this section, see Acts 1929 (Muni. ch.), ch. 4, § 2. For current city boundary, see the official map of the city which, when completed and approved by the city council, will be placed on file in the office of the city clerk.

For state law as to change of municipal boun-

daries by annexation of territory, see W. Va. Code, §§ 8-6-1 through 8-6-5. As to decrease of corporate limits of municipalities, see W. Va. Code, §§ 8-7-1 through 8-7-4.

Sec. 3. Twenty wards established.

Editor's note.--This section, as initially enacted by the legislature by Acts 1929, (Muni. ch.), ch. 4, § 3, divided the city into seventeen wards. By Ordinance No. 308 amendatory of this section, enacted Nov. 10, 1958, and ratified at a special election held Dec 13, 1958, the city was redivided into nineteen wards. Due to subsequent changes in population and the resulting necessity for more proportionate representation in the city council, the council on Sept. 19, 1966, by affirmative vote of more than two-thirds of the members, enacted Ord. No. 870, amendatory of this section, by redividing the city into eighteen wards, described by metes and bounds, subject to a referendum as provided in W. Va. Code, § 8-4-7; and at a special election on Nov. 8, 1966, held pursuant to prior notice duly published, a majority of the legal votes cast were in favor of the amendment, which thereupon became effective with the declaration by the council of the results of that election, all in conformity with the provisions of W. Va. Code, § 8-4-7. The text of this section, as so amended, is omitted as obsolete in some respects due to subsequent addition of territory, but it has been saved from repeal and is on file in the office of the city clerk. Another reason for omission of the text of this section was that Ordinance No. 1570, 7-1-74, directed the mayor to appoint two special committees, one to take a census of the city and the other, upon completion of such census, to prepare and submit to the council a report, with recommendations for the division of the city into wards and the number and boundaries thereof, the number of councilmen to represent each ward, and the number of councilmen at large, together with a proposed ordinance to effect such recommendations. Ordinance No. 3040, adopted on

preceding sections shall be paid proper salaries which shall be fixed by the council, except as herein otherwise provided, and such salaries shall be within the limits provided for by this act. (Acts 1929 (Munl. ch.), ch. 4, § 5.)

For state law providing that, "notwithstanding any Charter provision to the contrary," the governing body of every municipality shall by ordinance fix the compensation of every munici-

Dec. 20, 1982, redivided the city into twenty wards, described by metes and bounds. For current division of the city into wards and the boundaries thereof, see the official map of the city which, when completed and approved by the city council, will be placed on file in the office of the city clerk.

Sec. 4. Municipal authorities: elective officers and qualifications for holding office.

The municipal authorities of the City of Charleston shall consist of a mayor, city treasurer, municipal judge, and a member of the city council from each ward of the city, and six councilmen at large, who shall be elected by the qualified voters of such city, and such officers shall for the assessment year preceding their respective elections as hereinafter provided, has been assessed with and paid taxes in the City of Charleston upon a valuation of at least one hundred dollars worth of real estate or personal property therein, and any person elected to any one of such offices who has not been assessed with and paid taxes on such amount of property shall not qualify or enter upon the performance of the duties thereof, but such office shall thereby become vacant and shall be filled by a qualified person as provided herein for other vacancies. (Acts 1929 (Muni. ch.), ch. 4, § 4; Ord. No. 870, § 2; 9-19-66; Ord. No. 1620, § 2; Ord. No. 3040, § 2.)

Editor's note.--The ordinance amendatory of this section of the Charter was enacted Sept. 19, 1966, by affirmative vote of more than two-thirds of the members of the city council; and it was ratified by a majority of the legal votes cast at a special election on Nov. 8, 1966, which was held pursuant to prior notice duly published, all in conformity with the provisions of W. Va. Code, § 8-4-7.

Sec. 5. Officers in addition to elective officers; salaries.

In addition to the municipal authorities mentioned in section four of this act [this Charter], the city shall have a manager, city clerk, municipal court clerk, city auditor, collector, chief of police, city solicitor, assistant city solicitor, chief of fire department, engineer, health commissioner, building inspector, lockup keeper, humane officer or officers and such member of policemen as council by ordinance may direct. All the officers named in this and the

pal officer and employee; provided, that the salary of an officer shall not be increased or diminished during his term of office, see W. Va. Code, § 8-5-12.

Sec. 6. Corporate power vested in council.

All the corporate power of said city shall be vested in and exercised by council or under its authority, except as otherwise provided in this act [this Charter]. (Acts 1929 (Muni. ch.), ch. 5, § 5.)

Sec. 7. Enumeration of numerous miscellaneous powers of council; jurisdiction beyond corporate limits.

The council of said city shall have, and is hereby granted power to have said city surveyed, to lay out, open, vacate, straighten, broaden, change grade of, grade, regrade, curb, widen, narrow, repair, pave and re-pave streets, alleys, roads, squares, plots, sidewalks and gutters for public use, and to alter, improve, embellish and ornament and light the same, and to construct and maintain public sewers and laterals, and shall, in all cases, have power and authority to assess upon and collect from the property benefited thereby, such part of the expense thereof as shall be fixed by ordinance, except as hereinafter provided, to have control of all streets, avenues, roads, alleys and grounds for public use in said city, and to regulate the use thereof and driving thereon, and to have the same kept free from obstruction, pollution or litter on or over them; to have the right to control all bridges within said city, and the traffic thereover; to change the name of any street, avenue or road within said city, and regulate and cause the numbering and re-numbering of houses on any street, avenue or road therein; to regulate the naming of streets, avenues and public places; to regulate and determine the width of streets, sidewalks, roads and alleys; to order and direct the curbing, re-curbing, paving, re-paving, and repairing of sidewalks and footways for public use in said city to be done and kept clean and in good order by the owners of adjacent property; to enter into a contract with the County of Kanawha, or any internal improvement company for the joint ownership of any bridge by the city and such county or company, upon such terms as may be prescribed in the contract, but any such bridge shall be a public highway and the interest of the company, county and city shall be only such proportionate part thereof as it may pay for or that may be named in the contract; to prohibit and punish the abuse of animals; to restrain and punish vagrants, mendicants, beggars, tramps, prostitutes, fortunetellers, palmists, drunken or disorderly persons within the city, and to provide for their arrest and manner of punishment; to prohibit and punish by fine the bringing into the city by steamboats, railroads or other carriers of persons known to be paupers, dangerous or objectionable characters or afflicted with contagious diseases; to control and suppress disorderly houses of prostitution or ill-fame, houses of assignation and gaming houses or any part thereof; to punish those guilty of possessing, transporting or selling intoxicating liquors and to confiscate all automobiles, cars, wagons, boats, water and aircraft,

beasts of burden and vehicles of any kind in connection with which intoxicating liquors are had, kept or possessed for the purpose of transportation or carrying in any way within the city; to punish those engaged in gaming and to suppress all gaming or gambling houses, and all places where gambling or betting is in any way carried on or permitted, and to punish all persons in any way connected therewith; to prohibit within the city or within two miles thereof, slaughter houses, soap or glue factories and houses and places of like kind, and any other thing or business dangerous, unwholesome, unhealthy, offensive, indecent or dangerous to life, health, peace or property; to provide for the entry into and the examination of all dwellings, lots, yards, enclosures, buildings and structures, cars, boats and vehicles of every description, and to ascertain their condition for health, cleanliness or safety; to regulate the building and maintenance of party walls, partition fences or lines, fire-walls, fire places, chimneys, boilers, smoke stacks and stove pipes; to provide for and regulate the safe construction, inspection and repairs of all public and private buildings, bridges, basements, culverts, sewers, or other buildings or structures of any description; to take down and remove, or make safe and secure, any and all buildings, walls, structures or superstructures at the expense of the owners thereof, that are or may become dangerous, or to require the owners or their agents to take down and remove them or put them in a safe and sound condition at their own expense; to regulate, restrain or prohibit the erection of wooden or other buildings within the city; to regulate the height, construction and inspection of all new buildings hereafter erected, and the alteration and repair of any buildings already erected or hereafter erected in said city, and to require permits to be obtained for such buildings and structures, and plans and specifications thereof to be submitted to the building inspector; to regulate the limit within which it shall be lawful to erect any steps, porticos, bay windows, bow windows, show windows, awnings, signs, columns, piers or other projection or structural ornaments of any kind for the houses or buildings fronting on any street of said city; to establish fire limits and to provide the kind of buildings and structures that may be erected therein, and to enforce all needful rules and regulations to guard against fire and danger therefrom; to require, regulate and control the construction of fire escapes for any building or other structures in said city, to control the opening and construction of ditches, drains, sewers, cesspools and gutters, and to deepen, widen and clear the same of stagnant water or filth, and to prevent obstruction therein, and to fill, close or abolish the same and to determine at whose expense the same shall be done; and to build and maintain fire station houses, crematories, jails, lockups, and other buildings, police stations and police courts, and to regulate the management thereof; to acquire, establish, lay off, appropriate, regulate, maintain and control public grounds, squares and parks, hospitals, market houses, city buildings, airports, libraries and other educational or charitable institutions, either within or without the city limits, and when the council determines that any real estate rights, or materials in or out of the city is necessary to be acquired by said city for any such city purpose, or for any public purpose, or is necessary in the exercise of its powers herein granted, the power of eminent domain is hereby conferred upon said city, and it shall have the right to institute condemnation proceedings against the owner thereof,

whether said property be in or out of said city, in the same manner, to the same extent, and upon the same conditions as such power is conferred upon public service corporations by chapter forty-two of the Code of West Virginia of the edition of 1923, and is now or may be hereafter amended [see W.Va. Code, 1931, ch. 54, as amended]; to purchase, sell, lease or contract for and take care of all public buildings and structures and real estate deemed proper for the use of such city; and for the protection of the public to cause the removal of unsafe walls, structures or buildings, and the filling of excavations; to acquire or assist in acquiring land to be donated, dedicated or conveyed to, or otherwise vested in, the State of West Virginia as a site for a state capital or other public buildings, and to donate, dedicate and convey the same to said state or otherwise procure the title to the same to be vested in said state; to prevent injury or annoyance to the business of individuals from anything dangerous, offensive or unwholesome; to abate or cause to be abated all nuisances and to that end and thereabout to summon witnesses and hear testimony; to regulate or prohibit the keeping of gunpowder and other combustible or dangerous articles, and to regulate the transportation of same through the streets, alleys and public places; to regulate, restrain or prohibit the use of fire-crackers or other explosives or fireworks, and all noises or performances which may be dangerous, indecent or annoying to persons or tend to frighten horses or other animals; to provide and maintain proper places for the burial of the dead, in or out of the city, and to regulate interments therein upon such terms and conditions as to price and otherwise as may be determined; to provide for shade and ornamental trees, shrubbery, grass, flowers and other ornamentation, and the protection of the same; to provide for the poor of the city; to make suitable and proper regulations in regard to the use of the streets, public places, sidewalks and alleys by street cars, foot passengers, animals, vehicles, motors, automobiles, traction engines, railroad engines and cars, and to regulate the running and operation of the same so as to prevent obstruction thereon, encroachment thereto, injury, inconvenience or annoyance to the public; and to regulate fares and operation of motor vehicles operating on a fixed route used in the public transportation of passengers or property; to purchase or otherwise secure life, health or accident policies on the group or other convenient plan upon the members of the city police force and fire department, and as an element of compensation of such members may appropriate the money necessary to defray the cost thereof; whenever in its opinion the safety of the public so requires to authorize or require by ordinance any railroad company operating railroad tracks upon or across any public street or streets of the city, to construct and maintain overhead or undergrade crossings wherever the tracks of said company are laid upon or across the public streets of such city, and to apportion according to general law between any such railroad company and city the cost of such construction and maintenance and the cost of the acquisition of the necessary property and rights of way and the damages to abutting properties between any such railroad company and city; to prohibit prize fighting and cock and dog fighting; to license, tax, regulate or prohibit theaters, moving pictures, circuses, and exhibition of showmen and shows of any kind, and the exhibition of natural or artificial curiosities, carnivals, menageries and music exhibitions and performances, and other things or business on which the state does or may exact a

license tax: to organize and maintain fire companies and departments, and to provide necessary apparatus, engines and implements for the same and to regulate all matters pertaining to the prevention and extinguishing of fires; to make proper regulations for guarding against danger and damage from fires, water or other elements; to regulate and control the kind and manner of plumbing and electric wiring, the operation and height of flying of aeroplanes, airships and balloons; to regulate wireless stations, radio stations and other appliances for the protection of the health and safety of said city; to levy taxes on property, property and licenses, to license and tax dogs and other animals and regulate, restrain and prohibit them and all other animals and fowls running at large; to provide revenue for the city and appropriate the same to its expenses; to adopt rules for the transaction of business of its own regulation and government; to promote the general welfare of the city, and to protect the persons and property of citizens therein; to regulate and provide for the weighing of produce and other articles sold in said city and to regulate the transportation thereof and other things, through the streets, alleys and public places; to have the right to grant, refuse or revoke any and all licenses for the carrying on of any business within said city on which the state exacts a license tax; to establish and regulate markets and to prescribe the time for holding the same, and what shall be sold in such market, and to let stalls or apartments and regulate the same; to acquire and hold property for market purposes; to regulate the placing of signs, billboards, posters and advertising on or over the streets, alleys, sidewalks and public grounds of said city; to preserve and protect the peace, order and safety and health of the city and its inhabitants, including the right to regulate the sale and use of cocaine, morphine, opium and poisonous or dangerous drugs; to appoint and fix the place of holding city elections; to erect, own, lease, authorize or prohibit the erection of gas works, electric light works or water works, ferry boats, in or near the city, and to operate the same, and to sell the product of services therefrom and to do any and all things necessary and incidental to the conduct of such business; to build, hold, purchase, own and operate toll bridges; to enter into an agreement with the County of Kanawha, whereby the council and the county court of Kanawha County shall have the power and authority to provide for a full time health officer in charge of all the general health and sanitation activities and of the enforcement of all laws and regulations relating to public health, in the City of Charleston, the County of Kanawha, and to provide for necessary assistants, nurses, clerks and other employees, and the expenses of the administration thereof, and to provide for a proper division of all such expenses between the city and county, and make all needful rules and regulations to fully carry into effect the said joint undertaking between the City of Charleston and the County of Kanawha; to provide for the purity of water, milk, meats and provisions offered for sale in said city, and to that end provide for a system of inspecting the same and making and enforcing rules for the regulation of their sale; and to prohibit the sale of any unwholesome or tainted milk, meats, fish, fruit, vegetables, or the sale of milk, containing water or other things not constituting a part of pure milk; to provide for inspecting dairies and slaughter houses, whether in or outside of the city, where the milk and meat therefrom are offered for sale within said city, and to prohibit the sale of any articles deemed unwholesome, and to condemn

the same or destroy or abate it as a nuisance; to provide for the regulation of public processions so as to prevent interference with public traffic, and to promote the good order of the city; to prescribe and enforce ordinances and rules for the purpose of protecting the health, property, lives, decency, morality, cleanliness and good order of the city and its inhabitants and to protect places of divine worship in and about the premises where held, and to punish violations of all ordinances, although the offense under and against the same shall also constitute an offense under the laws of the State of West Virginia or the common law; to provide for the employment and safe keeping of persons who may be committed in default of payment of fines, penalties or costs under this act [this Charter], who are otherwise unable to discharge the same, by putting them to work for the benefit of the city upon the streets or other places in or out of the city provided by said city, and to use such means to prevent their escape while at work as the council may deem expedient; and the council may fix a reasonable rate per day as wages to be allowed such persons until the fine and costs against him [them] are thereby discharged; to compel the attendance at public meetings of the members of the council; to have and exercise such additional rights, privileges and powers as are granted to municipalities by chapter forty-seven [now chapter 8, the Municipal Code of West Virginia] of the Code of West Virginia as amended.

For all such purposes, except that of taxation and for purposes otherwise limited by this act [this Charter], the council shall have jurisdiction for one mile beyond the corporate limits.

And the council shall have the right to establish, construct and maintain public markets, landing ferries, wharves, parking places and docks on any ground which does or shall belong to said city, or which it shall acquire, by purchase or otherwise, and to sell, release, repair, alter or remove any public markets, landings, ferries, wharves, dikes, buildings or docks which have been or shall be so constructed, and to levy and collect reasonable duty on vessels and other craft coming to or using said landings, ferries, wharves, dikes, docks, parking places and buildings, and to preserve and protect the peace and good order at the same, and regulate the manner in which they shall be used; and to have the sole right, under state laws and in the same manner as now control county courts, to establish, construct, maintain, regulate and control all such wharves, docks, ferries and landings within the corporate limits of said city.

To carry into effect these enumerated powers and all other powers conferred upon said city expressly or by implication in this and other acts of the legislature, the council of said city shall have the power in the manner herein prescribed, to adopt and enforce all needful orders, rules and ordinances not contrary to the laws and constitution of this state; and to prescribe, impose and enforce reasonable fines and penalties, including imprisonment in the city lock-up, jail or stationhouse, and to work prisoners found guilty, as the coun-

cil may prescribe, and market the products of such labor, and with the consent of the county court of Kanawha County, entered of record, shall have the right to use the jail of said county for any purpose necessary to the administration of its affairs. (Acts 1929 (Muni. ch.), ch. 4, § 7.)

For constitutional provisions as to taking of private property for public use, see Const. W. Va., art. III, § 9. As to municipal home rule, see Const. W. Va., art. VI, § 39. For state law relating to municipalities, being the Municipal Code of West Virginia, see W.Va. Code, ch. 8. As to general powers of municipalities and their governing bodies, see W. Va. Code, §§ 8-11-1 et seq., and 8-12-5.

For a case citing this section and holding that where a statute confers power upon a municipal corporation to be exercised for the public good, the exercise of the power is not merely discretionary, but imperative, and the words "the council shall have power to" mean duty and obligation, see Broun v. Charleston, 116 W. Va. 51, 178 S.E. 597 (1935), approving Cavender v. City of Charleston, 62 W.Va. 654, 59 S.E. 732.

*For a case holding that the words of this section "***to provide for and regulate the safe construction, inspection and repairs of all public and private buildings, *** to regulate the height, construction and inspection of all new buildings hereafter erected, and the alteration and repair of any buildings already erected or hereafter erected in said city, and to require permits to be obtained for such buildings and structures, and plans and specifications thereof to be first submitted to the building inspector;" did not confer authority upon the city to enact a building code or a zoning ordinance which could be applicable to a building constructed by the state office building commission, created by chapter 43, Acts of the legislature, 1939, on property purchased under the general appropriation act, contained in chapter 9, Acts of the legislature, 1949, see Charleston v. Southeastern Con. Co., 134 W. Va. 666, 64 S.E. 2d 743 (1950).*

For a case holding that where the city council had enacted an ordinance vacating certain streets in a subdivision, pursuant to authority set out in W. Va. Code, § 8-12-5, subsec. (1), and the words of Char., § 7, "....to lay off, vacate,

close....for the use of the public....", to entitle a property owner to certiorari to review the action of the city council in vacating and closing a street, the petitioner must allege that his property abuts on that part of the street vacated, or that he will suffer special or peculiar damage or inconvenience not common to all, see Barker v. City of Charleston, 132 W. Va. 734, 61 S.E. 2d 743 (1950).

*For a case holding that the provisions: "The council of said city shall have, and is hereby granted power*** to establish fire limits and to provide the kind of buildings and structures that may be erected therein, and to enforce all needful rules and regulations to guard against fire and danger therefrom; *** to prevent injury or annoyance to the business of individuals from anything dangerous, offensive or unwholesome; to abate or cause to be abated all nuisances; *** to regulate or prohibit the keeping of gunpowder and other combustible or dangerous articles; *** to organize and maintain fire companies and departments and to provide necessary apparatus, engines and implements for the same, and to regulate all matters pertaining to the prevention and extinguishment of fires; to make proper regulations for guarding against danger and damage from fires, water or other elements; *** to promote the general welfare of the city, and to protect the persons and property of citizens therein; ***," and other provisions similar to provisions of this section, but contained in a prior city charter, were sufficient authority for the city council to enact an ordinance regulating the keeping, storage or transportation of gasoline or other explosives, including dangerous oils, see State ex rel Oil Service Co. v. Stark, 96 W. Va. 176, 122 S.E. 533 (1924).*

For a case holding that certain language of section 7 of prior city Charter, i. e.: "The council of said city shall have, and is hereby granted power ....to punish violations of all ordinances, if the offenses under and against the same shall also constitute offenses under the laws of the State of West Virginia or the common law; ....to carry into effect these enumerated powers and all other powers conferred upon said city expressly or by implication in this and other acts of the

Legislature, the council of said city shall have the power, in the manner herein prescribed, to adopt and enforce all needful orders, rules and ordinances not contrary to the laws and Constitution of this state; and to prescribe, impose and enforce reasonable fines and penalties, including imprisonment in the city lock-up, jail or station house," [compare with section 7 of present city Charter] granted authority to the city council to enact an ordinance which prescribed penalties in excess of those prescribed by state law for a similar offense, see State v. Wertz, 91 W. Va. 622, 117 S.E. 242, 29 A.L.R. 391 (1922).

For a case construing certain language of section 7 of prior city Charter [identical to language contained in section 7 of present city Charter]: "The council of said city shall have, and is hereby granted power....to pass ordinances to protect and preserve the health, property, lives, decency, morality, cleanliness, and good order of the city...." to include within its terms authority to pass an ordinance prohibiting work or labor on the Sabbath Day, see State v. Wertz, supra, cited with approval in McGowan v. State of Maryland, 366 U.S. 420 (at page 497), 66 L. Ed. 393, 81 S.Ct. 1153(1961).

For a case construing a section of a prior city Charter which, in language differing from that contained in this section, also granted authority to the city council to establish building lines, and holding that an ordinance establishing a building line on a certain street and inhibiting owners of abutting land from encroaching thereon, based on merely aesthetic considerations, is not within the police power and is unenforceable as a police regulation, see Fruth v. Board of Affairs, 75 W. Va. 456, 84 S.E. 105 (1915).

Sec. 7-a. Authority of council, municipal judge, circuit and common pleas courts and judges relating to city licenses.

The council of the City of Charleston shall have full discretion in the matter of granting, refusing and revoking licenses for keeping hotels, eating houses and restaurants, garages, taxi-cab stands, bowling alleys, pool and billiard tables and like tables, and for selling soft drinks, as in the case of other licenses, and shall supervise, regulate and control all places licensed for said purposes, and the municipal judge shall have jurisdiction when such city license and regu-

lation is sought to be evaded and may prevent such evasion, provided, that no such license, regulation or control shall apply to any fraternal beneficiary society permitted under the state laws. The council shall make no provision for the licensing of automobiles or other motor vehicles, except that in the case of motor vehicles used in the transportation of passengers or property for hire the council may require from the owner or operator of any such vehicle a bond, with sureties, and in such penalty, and with such conditions as it may deem proper. The council shall have power to enact and enforce proper ordinances for the purpose of carrying into effect the powers hereby granted.

If any person fails or refuses to secure a license or to pay any license tax due the city, or fails to obtain a permit to do anything for which a permit is required by ordinance, in addition to all other penalties and remedies provided by the ordinances of the city, the circuit court of Kanawha County and the court of common pleas of Kanawha County, or the respective judge thereof, in vacation, upon application in the name of the city or of any officer of the city, shall grant an injunction, inhibiting such person from continuing the business until the full amount of the license tax and penalty prescribed by the ordinance and due the city is paid, or until the person has obtained the license or permit as required by any ordinance. (Acts 1929 (Munl. ch.), ch. 4, § 7-a.)

For state law as to authority of city to require a city license for anything for which a state license is required, unless prohibited by general law, and to impose a reasonable tax thereon not in excess of state tax, see W.Va. Code, § 8-13-4, as modified by W. Va. Code, § 11-12-4.

Sec. 7-b. Regulation of operation of motor vehicles.

The council of the City of Charleston is hereby granted power, in addition to the powers heretofore granted it, to regulate by ordinance the operation of motor vehicles and other vehicles in said city, and the speed at which the same may be driven, and to provide for the punishment of violations of such ordinances; and said council is given specific authority to punish the violation of ordinances relating to the speed of such vehicles, or the operation thereof, by impounding or taking possession of such vehicles and retaining the same for such time as may be prescribed by ordinance not to exceed thirty days. (Acts 1929 (Munl. ch.), ch. 4, § 7-b.)

For state law as to powers of local authorities, see W.Va. Code, § 17C-2-8.

Sec. 8. Persons entitled to vote.

Every person qualified by law to vote for members of the legislature of this state (and who shall have been a resident of said city for sixty days preceding the day of election, of the ward in which he offers to vote at least ten

days preceding such day and a bona fide resident of the election precinct which he offer to vote) shall be entitled to vote at all elections held in said city by or under the authority and control thereof. (Acts 1929 (Muni. ch.), ch. 1, § 8.)

Editor's note.--Acts 1972, Ex. Sess., ch. 1, amended W.Va. Code, § 3-1-3, as to persons entitled to vote at state elections, by deleting the requirement for sixty days residence in the county or municipality in which he offers to vote; and such requirement is no longer applicable to city elections under this section of the Charter.

Sec. 9. Boundaries of voting precincts; registration books; registering voters; transfer from one precinct to another; duties of county court.

Voting precincts in the several wards for the city election shall be the same as to boundaries as those fixed by the county court for all state and county elections. The county clerk of Kanawha County shall carefully preserve in his office, registration books of each general state and county election for all of the precincts of the City of Charleston, and the original of said books shall be used as the registration for all regular and special city elections, with such corrections as are herein provided for. Said registration books shall never be out of the possession and control of the county court of Kanawha County, or the clerk thereof, except as hereinafter provided:

The county court of Kanawha County shall sit on the three last Saturdays and the last Monday next preceding any regular election or primary in said City of Charleston for the purpose of registering voters who have not been already registered in the various precincts, and for transferring voters from one precinct to another which shall be done, upon a proper showing, by striking the name of the voter from the registration book in which it appears, and placing the same upon the registration book of the precinct in which the voter is entitled to vote, and no other way, and for striking off the name of any voter from the registration books when it shall be shown to the satisfaction of said court that such person is no longer a voter in said city, and said court shall also strike from such registration books the name of any person known or proved to them to be dead. It shall be the duty of the clerk of said city to give notice of the time and place of the sitting of said court by publication in two newspapers of opposite politics printed and circulated in said city, once a week for four successive weeks before any such municipal election or primary. The clerk of the county court of Kanawha County shall transfer on the registration books the names of such votersas present themselves to him, in person, during such days preceding any municipal election after the first Saturday on which the county court sits, as above provided. The two major political parties, through the chairman of their respective municipal executive committees, may appoint challengers to

be present at the office of the clerk of said county court on the days when the said clerk is herein authorized to make transfers, but said clerk's decision in the matter shall control. (Acts 1929 (Muni. ch.), ch. 4, § 9; 1933, Reg. Sess., ch. 117.)

For state law as to integration of municipal elections with system of permanent registration, see W. Va. Code, § 8-5-13. As to arrangement and filing in county clerk's office of registration records to be used in municipal elections, see W. Va. Code, § 3-2-15.

Sec. 9-a. Special registrars; compensation of county court and clerk; delivery of registration books to city clerk; return to clerk of county court.

No special registrars shall be appointed for any municipal election or primary and the county court of Kanawha County and the clerk thereof shall receive nothing for their services as required by this and the last preceding section.

On the day prior to any municipal election or primary the clerk of said county court shall deliver to the city clerk of said City of Charleston all original registration books used in the last general county and state election, as corrected by the county court of said county, and the clerk of said city shall send the same to the various precincts of said city, as provided by law. After said registration books are delivered to said clerk of said city, no person shall add to the same any name, nor erase therefrom any name, and any person found guilty of either adding or erasing one or more names shall be guilty of a felony and confined in the penitentiary not less than one, nor more than five years. As soon as may be possible after the holding of any such municipal election or primary said original registration books shall be returned by the clerk of said city to the clerk of the county court of Kanawha County, West Virginia, who shall carefully preserve all of said registration books for such use as is required by law. (Acts 1929 (Muni. ch.), ch. 4, § 9-a; 1933, Reg. Sess., ch. 117.)

For state law as to integration of municipal elections with system of permanent registration, see W. Va. Code, § 8-5-13. As to arrangement and filing in county clerk's office of registration records to be used in municipal elections, see W. Va. Code, § 3-2-15.

Sec. 10. Nomination of candidates.

Candidates to be voted for at municipal elections may be nominated by convention, or primary election, as may be decided by the executive committees of any of the parties recognized by law in said city, and candidates may be nominated by petition in the manner provided by chapter three of the Code of

West Virginia. Each of the political parties having the right to make a nomination under the election laws of West Virginia shall give notice of the manner of such nomination by publication thereof in some daily newspaper printed in the City of Charleston for ten days prior to the date of such convention or primary election. (Acts 1929 (Muni. ch.), ch. 4, § 10.)

For state law as to municipal political party executive committees and municipal primary elections, see W. Va. Code, § 8-5-14.

For a case holding that a political committee within the purview of this section had the power and authority to rescind, abrogate or alter, at a subsequent meeting, what it did at a previous one, before "consumption" [consummation?], in the absence of a statutory provision inhibiting such action; and that where relator announced his candidacy for the nomination for mayor in reliance upon the executive committee of his party having by resolution set a primary election date and the city council had then enacted an ordinance providing for a primary election to be held on that date and had thereupon appointed election officials for such primary, he did not attain a vested interest in such primary, and that a subsequent resolution of the party executive committee annulling its prior resolution and provided instead for a convention to be held, relator's petition for mandamus to compel the holding of a primary election would be denied, see Reynolds v. Fielder, 110 W. Va. 240, 157 S.E. 597 (1931).

Sec. 11. When county and city voting precincts to be the same; how elections to be held.

Whenever the county court of Kanawha County shall arrange the voting precincts in the City of Charleston for state and county elections, according to the lines of the city wards, then such precincts with the same boundaries and the same voting places as provided for such state and county elections shall be the precincts for all city elections. Except as may be otherwise provided, by this act [this Charter], all city elections shall be held by the council and the officers therefor appointed in the way and manner prescribed in chapter 3 of the Code of West Virginia, but no double election boards shall be appointed for any city election. (Acts 1929 (Muni. ch.), ch. 4, § 11.)

Sec. 12. Law governing preparation of ballot and method of voting.

The preparation of the ballot and the method of voting and all other requirements of chapter 3 of the Code of West Virginia, except as changed or modified

by this act [this Charter], shall govern all city elections held under the provisions hereof. (Acts 1929 (Muni. ch.), ch. 4, § 12.)

Sec. 13. The council--Title; how constituted.

The City of Charleston shall have a council, which shall be known and styled as the "Council of the City of Charleston" and shall consist of one resident of each of the wards of the city, and five councilmen to be voted for by all the voters of said city, all of whom shall be nominated, voted for and elected in the manner herein provided. (Acts 1929 (Muni. ch.), ch. 4, § 13.)

Editor's note.--Since enactment of this section by the legislature in 1929, section 4 of the Charter was amended in 1966 so as to provide for one councilman from each ward and six councilmen at large.

For state law as to election of mayor and councilmen, see W. Va. Code, § 8-5-7.

Sec. 14. Same--Qualifications; vacancies.

Only citizens entitled to vote and residents and voters of their respective wards and having the proper qualifications hereinbefore provided shall be eligible to be elected to the office of councilmen [councilman] from their respective wards and at large, and each councilman so elected from a ward shall continue to be a resident of the ward from which he is elected during his entire term of office.

At the election to be held on the third Monday in April, 1931, there shall be elected one member of the council from each ward and five members of the council from the city at large. If any person elected to council fails to qualify within twenty days after he is declared elected, or resigns as a member of the council, or ceases to be a resident of the ward from which he is elected, then his office shall thereby be vacated and the council shall fill such vacancy by the election of some qualified person for such unexpired term. No person shall be declared elected by the council unless he receives the votes of at least a majority of the members elected thereto and the minutes of such meeting shall show that fact. (Acts 1929 (Muni. ch.), ch. 4, § 14.)

Editor's note.--There are now six councilmen elected at large instead of five, see Char., § 4. As to election and term of elective officers after the year 1931, see Char., § 35.

Sec. 15. Same--Mayor; clerk; president pro tempore.

The mayor shall be the presiding officer of the council and be a member thereof, with the right to vote on all questions the same as any other member of

said council, and the city clerk shall be ex officio clerk of the council, and the mayor and city clerk shall each perform such other duties as the council may require of them. The council shall, at its first meeting after each election, select one of its body as president pro tempore, who shall in the absence of the mayor, preside as chairman of the meeting of the council, and in the absence of both the mayor and president pro tempore at any meeting of the council, some member of the council shall be elected to preside over such meeting. (Acts 1929 (Muni. ch.), ch. 4, § 15.)

For state law as to presiding officer of municipal council, see W. Va. Code, §§ 8-9-1, 8-9-2.

Sec. 16. Same--Representation of new ward.

Whenever by the extension of the corporate boundaries of the city a new ward is created as part of the city, such new ward shall have representation in the city council and within thirty days after the act creating such new ward takes effect, the council shall proceed to elect one qualified resident thereof, as a member of said council, to hold office until the next general city election. (Acts 1929 (Muni. ch.), ch. 4, § 16.)

For state law as to annexation of territory by municipalities, see W. Va. Code, § 8-6-1 et seq.

Sec. 17. Same--Exercise of legislative functions; information, etc., from officers and employees.

The council shall exercise all of the legislative functions of the city government and shall have the right to demand of any city official, or employee, information, explanations, facts, details, correspondence, or other papers affecting the city's interest; and it shall be malfeasance and neglect of duty for any such official or employee to fail or refuse to comply with such demands. (Acts 1929 (Muni. ch.), ch. 4, § 17.)

For state law as to powers of municipal governing bodies generally, see W. Va. Code, §§ 8-11-1 et seq., and 8-12-5.

Sec. 18. Audit of books and accounts.

The council shall by proper ordinance provide for the auditing of all the books and accounts of the city at least once in each year, and shall employ a reputable certified public accountant for such purpose, and such audit shall show the complete financial condition of the city at the time thereof and the receipts and disbursements of all moneys during such year. The council may also provide by ordinance for the publication of the report of the accountant on the financial condition of the city at least once in each year, and such report of

the accountant shall be spread upon the records of the council and be a public record for all purposes. (Acts 1929 (Muni. ch.), ch. 4, § 18.)

Sec. 19. Removal of officers by council or by circuit court of Kanawha County, or by officers having appointment authority.

Any member of the council, and any city official, either elected or appointed, may be removed from his office by the council for any of the following causes: Official misconduct, incompetence, habitual drunkenness, neglect of duty, or gross immorality. The charges against any such officer shall be reduced to writing and entered of record by the council, and a summons shall thereupon be issued by the city clerk containing a copy of the charges and requiring the officer named therein to appear and answer the same on a day to be named therein, which summons may be served in the same manner as a summons commencing an action may be served, and the service must be made at least five days before the return day thereof, and it shall require the affirmative vote of two-thirds of all the members elected to council to remove any such official. The circuit court of Kanawha County shall have concurrent jurisdiction with the council to try, hear and determine any proceedings for the removal of any city official for any of the causes herein mentioned.

The mayor, or any other city official having the power of appointment, shall have the absolute right in his discretion to remove any of his appointees and appoint another qualified person in his place, but such removal shall be in writing and served upon said official so removed, and all the rights and powers of such official shall cease and end from the time of such service. (Acts 1929 (Muni. ch.), ch. 4, § 19.)

Sec. 20. Rules and regulations for government of council; record of meetings.

The council shall make proper rules and regulations for its own government and the conduct of its business, which rules shall not be contrary to, or inconsistent with, any of the provisions of this act [this Charter], and such rules shall be duly entered of record and shall be published by the council in any municipal code or other publication made by the council of this act and the ordinances of said city. The council shall cause a record of its meetings to be kept and recorded by the city clerk in a well bound book provided by the council for that purpose, which book shall remain in the custody and at the office of the city clerk, and all the books containing the proceedings of former councils or other governing bodies of the City of Charleston, shall likewise remain in the custody and be kept at the office of the city clerk, and all such books and all city records shall at reasonable hours and in a reasonable manner be open to the inspection of the public. (Acts 1929 (Muni. ch.), ch. 4, § 20.)

For state law as to proceedings of municipal governing bodies, see W. Va. Code, § 8-9-1 et seq. As to powers and duties of recorders, see W. Va. Code, § 8-10-3. As to authority of municipal

governing bodies to adopt rules for the transaction of business, etc., and to conduct investigations, see W. Va. Code, § 8-12-5, subsecs. (45) and (48).

Sec. 21. Regular meetings of council.

The council shall hold regular meetings on the first and third Mondays of each month, and the hour and place of such meetings shall be fixed by the council in the rules adopted by it. (Acts 1929 (Munl. ch.), ch. 4, § 21.)

Sec. 22. Special meetings of council.

Special meetings of the council shall be held when called by the mayor or ten members thereof. In either case, the call therefor shall be in writing and signed by the mayor or members issuing it, and shall state the time, place and business to be considered thereat, and a copy thereof shall be served upon each member of the council then in the city, and also be published on two successive days in two daily newspapers printed and circulated therein. No business, other than that stated in such call, shall be considered at such meeting. (Acts 1929 (Munl. ch.), ch. 4, § 22.)

Sec. 23. Council procedure for contested elections, and right of appeal to circuit court.

All contested elections shall be heard and determined by the council and such contests shall be made and conducted in the same manner as provided for in the case of contests for county and district officers; and the council shall conduct its proceedings in such cases as nearly as practicable in conformity with the proceedings of the county court in such cases, and there shall be the same right of appeal, in the same way, to the circuit court of Kanawha County. (Acts 1929 (Munl. ch.), ch. 4, § 23.)

For state law as to contested municipal county and district elections, see W. Va. Code, §§ 3-7-6 through 3-7-9; and, see also, as to contested municipal elections, W. Va. Code, § 8-5-17.

Sec. 24. Oath of officers; how and within what time officers must qualify; failure to qualify vacates office.

All officers elected and appointed shall take an oath, before some one authorized to administer oaths, that they will support the Constitution of the United States, the Constitution of this state, and will faithfully and impartially discharge the duties of their respective offices to the best of their skill and judgment; that they are not and will not during their term of office, in any way or manner become pecuniarily interested directly or indirectly in any contract with the city, in any franchise granted by it, or in the purchase of supplies

therefor. When the officer shall have made such oath in writing and filed the same with the city clerk and shall have given the bond required of him, he shall be considered as having qualified for the office to which he was elected or appointed: provided, that if any person so elected or appointed shall not qualify for said office as herein prescribed, within twenty days after he shall have been officially declared elected or appointed thereto, said office shall ipso facto become vacant, and said vacancy shall be filled in the same manner as other vacancies therein are provided for in this act [this Charter]. (Acts 1929 (Muni. ch.), ch. 4, § 24.)

For state law as to oath of municipal officers, see W. Va. Code, § 8-5-8.

Sec. 25. Bonds of officers and employees; record of bonds.

The mayor, manager, city clerk, municipal court clerk, treasurer, city solicitor, city collector, municipal judge, health commissioner, chief of police and chief of fire department, each shall, before entering upon the discharge of their respective duties, give an official bond, conditioned for the faithful performance of such duties as are prescribed in this act [this Charter] or any ordinance now or hereafter passed, in amounts as follows: The mayor, one thousand dollars; manager, ten thousand dollars; city collector, ten thousand dollars; the treasurer, sixty thousand dollars; the city clerk, municipal court clerk, municipal judge and city solicitor, three thousand dollars, respectivaly; health commissioner, chief of police and chief of the fire department, one thousand dollars, respectively.

The council may require additional bond from any of said appointive officers, and may likewise require bond, in whatever sum they may fix, of any other appointive officer or employee. All bonds of officers or employees shall, before their acceptance, be approved by the council. The minutes of the meeting of council shall show all matters touching the consideration or approval of all bonds, and when said bonds are approved and accepted, they shall be recorded by the city clerk in a well bound book kept by him at his office for that purpose, which book shall be open to public inspection; and the recordation of such bonds as aforesaid shall be prima facie proof of their correctness, and they, as so recorded, as well as copies thereof duly attested by the city clerk under the seal of the city, shall be admitted as evidence in all courts of this state. The city clerk shall be the custodian of all bonds, except that given by him, and as to it, the city treasurer shall be custodian. All bonds, obligations or other writings taken in pursuance of any provisions of this act [this Charter], shall be made payable to "the City of Charleston," and the respective persons, and their heirs, executors, administrators and assigns bound thereby shall be subject to the same proceedings on said bonds, obligations and other writings, for the purpose of enforcing the conditions of the terms thereof, by motion or otherwise, before any court of record held in and for the County of Kanawha, that collectors of county levies and their sureties are or shall be subject to on their bonds for enforcing the payment of the county levies. (Acts 1929 (Muni. ch.), ch. 4, § 25.)

Sec. 26. Quorum of council: compelling attendance of absent members.

A majority of the whole number of members elected to the council shall be necessary for the transaction of business, but a smaller number may adjourn from time to time and may compel the attendance of absent members, in such manner and under such penalties as it may by rules provide. (Acts 1929 (Muni. ch.), ch. 4, § 26.)

For state law as to quorum of a municipal governing body, see W. Va. Code, § 8-9-1.

Sec. 27. Voting in council and recording of votes.

Unless otherwise herein provided, the vote upon any question or motion before the council may be viva voce when unanimous; but if the question or motion does not receive the unanimous vote of the members present, the vote shall be taken by roll call of the members and made a part of the minutes of the meeting, and when the vote is unanimous the minutes shall so state. (Acts 1929 (Muni. ch.), ch. 4, § 27.)

For state law as to voting in council and minutes of proceedings, see W. Va. Code, § 8-9-3.

Sec. 28. City clerk is ex officio clerk of the council: council minutes and admissibility thereof in evidence.

The city clerk shall be ex officio clerk of the council and shall keep detailed minutes of its meetings and proceedings in a well bound book for that purpose, which shall remain in the custody of the city clerk at his office and open to public inspection. The minutes of every meeting after being corrected, shall be signed by the mayor and city clerk, and, if thus recorded and signed, they shall be admitted as evidence in any court of record in this state. (Acts 1929 (Muni. ch.), ch. 4, § 28.)

For state law as to council records and minutes of proceedings, see W. Va. Code, § 8-9-3. As to duty of municipal recorders to keep the journal of proceedings of governing body, see W. Va. Code, § 8-10-3.

Sec. 29. Holding two offices.

No officer of the city shall hold two offices with the city at the same time, or be employed by the city in any other capacity, without first having the consent of the council. (Acts 1929 (Muni. ch.), ch. 4, § 29.)

Sec. 30. Failure of mayor or other officer to make appointments.

Whenever the mayor or other officer shall fail to make any and all appointments under him, or required to be made by him, for a period of thirty days from the time such appointment should have been made, his office may be declared vacant by the council, and his successor appointed, in the manner herein provided. (Acts 1929 (Muni. ch.), ch. 4, § 30.)

Sec. 31. Vacancy in office of mayor or treasurer; vacancy in office of appointive officer; officers hold office until successors qualified, unless previously removed.

Whenever a vacancy for any cause whatever shall occur in the office of mayor or treasurer, the council shall elect some qualified person to fill said vacancy until the next city election, and until his successor shall have been elected and qualified; and when such vacancy shall occur in the office of any appointive officer, his successor shall be appointed by the person making the original appointment, or his successor in office, as hereinbefore provided, and all elective and appointive officers of said city shall hold their respective offices until their successors are elected, or appointed, and qualified, unless sooner removed. (Acts 1929 (Muni. ch.), ch. 4, § 31.)

As to filling vacancy in office of municipal judge, see Char., § 94.
For state law as to filling vacancies in elective municipal offices, see W. Va. Code, § 8-5-10.
As to holding office until successor elected or appointed and has qualified, see W. Va. Code, § 8-5-9.

Sec. 32. Corruption in office.

Any member of council or any officer of, or connected with, the city government pursuant to any law of this state or ordinance of the city now or hereafter passed, who shall, in his official capacity or under color of his office, knowingly or willfully, or corruptly vote for, assent to or report in favor of, or allow, or certify for allowance, any claim or demand against the city, which claim or demand shall be on account or under color of any contract or agreement not authorized by or in pursuance of the provisions of this act [this Charter], or the ordinances of the city, or any claim or demand against the city and which claim or demand or any part thereof shall be for work not performed for and by authority of said city, or for supplies or materials not actually furnished thereto pursuant to law or ordinance, and every such member or officer as aforesaid who shall knowingly vote for, assent to, assist or otherwise permit, or aid in the disbursement or disposition of any money or property belonging to the city to any other than the specific use or purpose for which such money or property shall be or shall have been received or appropriated or collected or authorized by law to be received, appropriated or collected, shall, upon conviction

thereof, be punished by imprisonment in the county jail for a period of not less than sixty days nor more than one year or by fine of not less than five hundred dollars, nor more than two thousand dollars, or by both. But the council shall pay any just obligations made by the city and keep and perform all contracts, agreements and obligations made under the law as it was the day before this act goes into effect [this Charter became effective on 6 March, 1929], and for which and on which the city is liable or obligated. (Acts 1929 (Muni. ch.), ch. 4, § 32.)

Sec. 33. Power of council to compel attendance of witnesses and production of records, administer oaths and punish for contempt.

The council in the exercise of its powers and the performance of its duties, as prescribed by this act [this Charter], and by the laws of the state, shall have the power to enforce the attendance of witnesses, the production of books and papers, and the power to administer oaths in the same manner and with like effect, and under the same penalties, as notaries public, justices of the peace, and other officers of the state authorized to administer oaths under state laws; and said council shall have the power to punish for contempt as is conferred on county courts by section 13 of chapter 39 of the Code. [The provisions of Barnes' W. Va. Code Annotated, 1923, ch. 39, § 13, are now contained in W. Va. Code, § 7-1-6.] All process necessary to enforce the powers conferred by this act on the council shall be signed by the mayor (or acting mayor), and may be executed by any member of the police force. (Acts 1929 (Muni. ch.), ch. 4, § 33.)

Sec. 34. Absence or inability of certain officers to perform duties.

Whenever for any reason the mayor shall be absent from the city, or unable to attend to the duties of his office temporarily, the president pro tempore of the council shall perform them during such absence or inability, and in the absence or inability of the manager to attend to the duties of his office temporarily, the mayor shall designate someone to perform such duties, provided, that such temporary absence or inability shall not exceed thirty days, but if such absence or inability shall exceed thirty days, then such appointment or designation shall be submitted to the council, for confirmation or rejection. In the absence or inability of any other appointive city official to perform the duties of his office, the person or body making the original appointment, or his successor in office, shall designate someone to fill such office temporarily, or if such absence or inability extends over a period of sixty days, he may appoint someone to fill such office permanently. (Acts 1929 (Muni. ch.), ch. 4, § 34.)

Sec. 35. Election and term of office of elective officers; salary of mayor; appointments by mayor; appointment of city clerk; appointments by manager; term of appointive officers; duties of mayor and city solicitor; salary of solicitor; fees.

The mayor, members of council, municipal judge and treasurer elected

on the third Monday in April, 1927 shall hold office until the first Monday in May, 1931, and their successors shall be elected on the third Monday of April, 1931, and at intervals of four years thereafter, and their terms of office shall begin on the first Monday of May after their election. The mayor's salary shall not be less than three thousand nor more than five thousand dollars per annum. The municipal judge elected on the third Monday in April, 1927 shall continue to hold office as the municipal judge until the first Monday in May, 1931.

For state law providing that, "notwithstanding any charter provision to the contrary," the governing body of every municipality shall by ordinance fix the compensation of every municipal officer and employer; provided, that the salary of an officer shall not be increased or diminished during his term of office, see W. Va. Code, § 8-5-12.

The mayor shall appoint the city solicitor, an assistant city solicitor, the chief of police, humane officer or officers, building inspector, collector, city auditor, engineer, health commissioner, lockup keeper, municipal court clerk, and the chief of the fire department, and these appointments shall not require any confirmation by the council but shall be made at the discretion of the mayor, who shall, with like discretion, have the full and complete power of removal thereof. The mayor shall appoint the manager, by and with the advice and consent of the council. The council shall, either at a regular or special meeting called for that purpose, pass upon such nomination and either confirm or reject the same, and if such nomination is rejected, then the mayor shall submit to the council a further nomination of some other person or persons until the nomination is confirmed by council, for said office of manager, but it shall be the duty of the council to pass upon all nominations without unreasonable delay; and in any event within two weeks after the submission of the same, and the failure of members of the council to pass thereon within such time shall be cause for the removal from office of such members of the council as shall have refused to act thereon.

The council shall appoint a city clerk. The manager shall appoint or employ such persons as the ordinances of the city may require or the council may authorize by proper resolution. All such officers shall be appointed for the term of four years and until their successors are appointed and qualified, unless they are removed in the way and manner in this act [this Charter] provided.

It shall be the duty of the mayor to attend all meetings of the council and preside over that body.

It shall be the duty of the mayor to see that all of the laws and ordinances of the city are enforced and he shall have a general oversight over the peace, health and good order of the city.

The duties of the city solicitor or assistant city solicitor shall be to attend the sessions of council [and] to prosecute all suits in behalf of the city and defend all suits against the city, to advise the council and all of the departments of the city and in general to look after the interests of the city when it shall need legal services. The salary of the solicitor shall be not less than three thousand nor more than five thousand dollars per annum.

All fees of every kind collected by any officer or employee, including the municipal judge when acting as a justice, shall be paid to the city treasurer. (Acts 1929 (Muni. ch.), ch. 4, § 35.)

Sec. 36. Appointment, compensation, powers and duties of the manager.

The manager shall be appointed in the way and manner hereinbefore provided and shall receive such salary as council may by ordinance prescribe, provided such amount shall not be less than three thousand nor more than five thousand dollars per annum, and he shall have the right to employ one clerk at such salary as council may fix, and such other help as he may require and as council may from time to time allow.

The manager shall devote his entire time and attention to the duties of his office, and shall have supervision and control of the executive work and management of the heads of all departments under his control as directed by the mayor. He shall make all contracts for labor and supplies, and generally perform all of the administrative work of the city, and such other duties as council may require of him, and shall possess such other powers and perform such other duties as council shall prescribe. (Acts 1929 (Muni. ch.), ch. 4, § 36.)

For state law providing that, "notwithstanding any charter provision to the contrary," the governing body of every municipality shall by ordinance fix the compensation of every municipal officer and employee; provided, that the salary of an officer shall not be increased or diminished during his term of office, see W. Va. Code, § 8-5-12.

Sec. 37. Franchises--Granting; requirements and limitations governing; vote of council required.

Franchises or permits granting the right of occupancy of any portion of the streets or alleys for works of public utility or other use, or granting any right or privilege, which the city has the power to grant to individuals, firms or corporations, in order that the latter may serve the public, may be made only upon the following restrictions and conditions: Such franchises, rights and privileges shall be granted only by ordinance duly passed by the council.

No grant of any such franchise shall be made without, at the time of making it, providing that the grantee shall indemnify the city against all damages caused by construction, maintenance or operation of such works. Additional provisions and conditions shall be made for the protection of the public against damage or inconvenience by reason of the construction, maintenance or operation thereof.

No grant of a franchise for the extension of or an addition to any line or work of public service through, over or under any additional street or territory of the city, shall be made for a period extending beyond the time limit for the expiration of franchise of the principal work of which it is an extension and if the franchise of the principal work is one granted before this act [this Charter] goes into effect and not limited as to time, any franchise granted for an extension or addition thereto shall nevertheless be made subject to the conditions thereof, including a time limit for a period not exceeding twenty-five years. All franchises hereafter granted shall embody therein a plainly expressed condition, where the franchise is for work to be useful chiefly to the citizens of the city, that at the expiration of such franchise or certain periods therein mentioned, the grantee shall, if required by the governing body of the city, sell to the city the plant at its actual value, exclusive of any value for the franchise granted by the city or its earning capacity or productive worth, and no exclusive franchise shall be granted.

If the city and the owner of the plant cannot agree upon its worth, then the value shall be ascertained by an impartial arbitration, one arbitrator to be selected by the city, one by such owner of the plant, these two to select a third and the decision of any two to be binding upon both parties, and if they shall fail for a period of thirty days to select such third arbitrator, then either party may apply to the judge of the circuit court of Kanawha County who shall then appoint such third arbitrator.

No franchise shall be granted without the affirmative vote of two-thirds of all the members elected to said council. (Acts 1929 (Muni. ch.), ch. 4, § 37.)

For state law relating to the granting of franchises by municipalities, see W. Va. Code, §§ 8-31-1, 8-31-2. As to requirement that granting of franchise be by ordinance, see W. Va. Code, § 8-11-3.

Sec. 38. Same--Advertisement of application; submission to voters.

When any franchise, permit or license granting the right to use the streets, alleys, or public grounds, shall be applied for, the application or petition shall be advertised in two newspapers, published in said city, thirty days before the same shall be heard and determined by the council; and any ordinance granting such rights and franchises shall, on the petition of ten per cent of the votes cast

for all candidates for the office of mayor at the last preceding election, be submitted to the voters at a special election, for adoption or rejection, which shall be by a majority of the votes cast; said election to be held and conducted as other municipal elections are held; except that all of the expenses of said election shall be borne by the party or corporation desiring said rights and franchise.

All such ordinances shall protect the interests of the city, as provided in section thirty-seven, as well as such additional conditions, compensations or limitations as council may prescribe. (Acts 1929 (Munl. ch.), ch. 4, § 38.)

Sec. 39. Committees of council; adjournment of council meetings; postponement of announcement of vote.

Council shall have the right to appoint such committees of its own body as it may deem proper, and may give such committees power and authority to perform any duties and make any reports to council concerning the duties of council, and council may adjourn its meetings from time to time, pending the consideration of any matter, franchise or ordinance, and may postpone the announcement of any vote to an adjourned meeting or to a future meeting. (Acts 1929 (Munl. ch.), ch. 4, § 39.)

Sec. 40. Style of ordinances.

The style of all ordinances enacted by the council shall be "Be it Ordained by the Council of the City of Charleston." (Acts 1929 (Munl. ch.), ch. 4, § 40.)

Sec. 41. Passage of ordinances; revision, reenactment or amendment; effective date; publication of caption or title; resolutions and orders.

No ordinance shall be passed, except by bill, and no bill shall be so amended in its passage as to change its original purpose. All bills must be in writing and read in full when presented at a regular or special meeting of council, and except in case of emergency and when so authorized by a vote of four-fifths of the members elected, taken by yeas and nays, ~~no bill shall be considered for final passage at the meeting at which it is introduced, but at any subsequent regular or special meeting bills may be taken up for consideration and final action. No bill except in case of emergency [illegible] fifths of the members of council elected shall be considered for final passage unless the [illegible] referred to a committee for report.~~ All amendments made by a committee to a bill shall be reported to council and incorporated in said bill, and before final action on said bill, the bill with any amendments shall be fully and distinctly read, after which reading, whether at the meeting at which the bill is reported or a subsequent meeting, the bill may be considered for final action. No bill shall become an ordinance unless on its final passage the vote be taken, the names of the members voting for and against the same be entered of record in the minutes of council, and a majority of all members elec-

ted recorded thereon as voting in its favor. Bills referred to a committee may be withdrawn therefrom at any subsequent meeting for present consideration by an affirmative vote of a majority of the members of council present. No bill except general appropriation bills, which may embrace the various subjects and accounts for and on account of which moneys are appropriated, and bills fixing the annual salaries of officers and employees of the city, and bills, providing for the paving or improving of streets, or construction of sewers, shall contain more than one object and that shall be expressed in the title, but if any object shall be embraced in an ordinance which is not so expressed the ordinance shall be void only as to so much thereof as shall not be so expressed. No ordinance shall be revised or re-enacted by mere reference to the title thereof, but the same shall be set forth at length as if it were an original ordinance, nor shall any ordinance be amended by providing that, designated words thereof be stricken out and others inserted in lieu thereof, but the ordinance or sections amended shall be set forth in full as amended. All ordinances in force at the time [March 6, 1929] this act [this Charter] goes into effect, not inconsistent herewith, shall remain in full force until altered or repealed as herein provided, and all rights, actions, prescriptions and contracts of the city not inconsistent therewith shall continue to be valid as if this act had not been passed.

For state law as to powers and duties of municipal governing bodies with respect to ordinances and ordinance procedures, see W. Va. Code, § 8-11-1 et seq.

Any ordinance heretofore passed which may be void on account of failure of council properly to observe any provisions of the Charter of the City of Charleston or ordinances in force at the time said ordinance was passed shall so far as it may affect the validity of any paving or sewer assessments heretofore laid, be in full force and effect until repealed or amended, the same as if legally passed. No ordinance of the council shall take effect until the expiration of five days after its final passage, unless the council shall by a vote of three-fifths of its members elected, taken by yeas and nays, otherwise direct. It shall be the duty of the city clerk to make publication of the caption or title of every ordinance in a newspaper of general circulation in the City of Charleston within five days after its passage, but failure so to do shall not affect the validity of any such ordinance.

For state law providing that, "notwithstanding any charter provision to the contrary," it shall not be necessary, except as provided in the W. Va. Code, to publish a proposed or enacted ordinance in a newspaper, see W. Va. Code, § 8-11-4, subsec. (a).

Resolutions and orders of council other than ordinances may be considered for final passage at the meeting at which they are proposed, and shall, unless otherwise provided therein, be in force and effect from and after their passage. (Acts 1929 (Muni. ch.), ch. 4, § 41.)

Sec. 42. Ordinances to be spread on records of council: "ordinance record": code of ordinances.

All ordinances passed, shall be spread in extenso upon the records of the council when adopted. The council shall also provide a well-bound book designated as "Ordinance Record," in which shall be copied by the city clerk all ordinances, in the order in which they are passed, which ordinances, when so copied, shall be compared with the originals by the mayor and shall be signed by him when found correct. Such books shall be indexed so as to show in brief form the substance of the ordinance, and shall be received by all courts and justices in this state as evidence, but the council may adopt by ordinance properly designating and describing it, a code of laws and ordinances, which when adopted shall be printed in book form, or said council may designate any committee, or attorney, or the city solicitor to prepare a code of ordinances for the government of the City of Charleston, and said council may by ordinance adopt the code so prepared as a whole, and when said ordinance adopting said code shall have been passed by the council, the said code shall be and become the law and ordinances of said city, and may be printed by order of the council, and the same shall be so received as evidence of what is printed therein, until errors or omissions be affirmatively shown therein. (Acts 1929 (Muni. ch.), ch. 4, § 42.)

For state law requirement that ordinances adopting technical codes by reference be certified by mayor and made a permanent record in office of the recorder (city clerk), see W. Va. Code, § 8-11-4, subsec. (b).

Sec. 43. Officers conservators of the peace.

All persons elected or appointed to the offices named in this act [this Charter] shall be conservators of the peace within said city, and they, and any other officer provided for under this act, may be given authority of police officers by the council. (Acts 1929 (Muni. ch.), ch. 4, § 43.)

Sec. 44. Powers and duties of municipal judge: maximum imprisonment for violation of ordinance: appeal: expense of maintaining persons committed to county jail.

The municipal judge shall be ex officio a justice and a conservator of the peace, and with authority to issue processes for all offenses committed within the police jurisdiction of the City of Charleston, of which a justice of the peace has jurisdiction under state statutes, and for all violations of any city ordinances, and shall have charge of and preside over the municipal court of such city; and may commit persons charged with felony or misdemeanor to jail or take bond for their appearance before the grand jury of the circuit, intermediate or other courts of Kanawha County; he shall keep an accurate record of all his judicial proceedings in said court, showing the style of each case, which

record shall be indexed and numbered. It shall be his duty to hold daily sessions of his said court, Sunday excepted. Before trying any person charged with any violation of any state law or ordinance a warrant specifying the offense or violation charged shall be issued as herein provided and the municipal judge shall render judgment in any case as the law of the state or the ordinance of the city applying thereto may require; he shall also have the power to issue executions for all fines, penalties and costs imposed by him and he may require immediate payment thereof, and in default of such payment, may commit the party so in default to the jail of the City of Charleston or of the County of Kanawha, or other place of imprisonment in said city, until the fine and penalty and costs shall be paid or satisfied, to be employed during the term of imprisonment as hereafter provided, but for violation of any city ordinance the term of imprisonment in any such case shall not exceed thirty days, and in all cases where a person is sentenced to imprisonment or to the payment of a fine of ten dollars or more, such person shall be allowed an appeal from such decision to the intermediate court of said Kanawha County upon the execution of an appeal bond, with surety deemed approved by the said municipal judge or municipal court clerk in a penalty double the amount of the fine and costs imposed by said judge, conditioned that the person proposing to appeal will appear before the intermediate court of Kanawha County on the first day of the next term thereof to answer for the offense wherewith he is charged and not depart thence without leave of the court and to satisfy all costs and fines imposed against him; and in no case shall judgment for a fine of less than ten dollars be given by the municipal judge if the defendant, his agent or attorney object thereto. When the judgment on appeal is against the appellant for any sum of money, judgment shall be rendered by the intermediate court against the appellant and those who signed the appeal bond as surety thereon. Before said municipal judge or clerk shall accept any natural person as surety upon any bond or recognizance under the provisions of this section, such surety shall furnish a certified statement of the clerk of the county court of any county in this state in which such surety owns real estate, and shall also file an affidavit, the form of which may be prescribed by the municipal judge, showing the bonds and recognizances upon which he is then surety and the amount of each bond or recognizance. If the amount of such bond or recognizance, together with other bonds and recognizances as shown by the affidavit aforesaid, exceeds in amount the assessed value of the surety's property as shown by the certificate of the clerk of the county court, of if any such bond or recognizance theretofore given, by such surety be forfeited and unsatisfied, then such surety shall be disqualified; and if any bond or recognizance be accepted and it subsequently appears that the surety thereon is disqualified then such bond shall be declared void by the municipal judge and the person whose appearance in the intermediate court of Kanawha County and whose payment of fine and costs are thereby secured may be forthwith apprehended and held in the city jail until a proper bond or recognizance is given; provided, however, that whenever any surety is offered less than one hour before the county clerk's office is closed or after it is closed, surety shall make an affidavit that he owns real estate in Kanawha County to an assessed value above encumbrances thereon, of at least double the amount of bond required. Any person making or procuring to be made a false statement in any such affidavit, with intent to deceive said municipal judge, shall be guilty of perjury. If such appeal be taken, the warrant of arrest, the transcript of the judgment, the appeal bond and other papers of the case shall be forthwith delivered by

the said judge to the clerk of the intermediate court and the court shall proceed to try the case as upon indictment or presentment and render such judgment, including that of costs, as the law and the evidence may require.

On appeals from said municipal court the intermediate court of Kanawha County shall be governed by the same principles with respect to the forfeiture of bonds and recognizances, and the issuance and execution of capiases and writs of fieri facias as prevail in cases in which the state is a party.

The expense of maintaining persons committed to the jail of the county by such municipal judge shall be paid by the city. The municipal judge shall account for and pay over the amount of all fines collected by him weekly to the treasurer of the city and shall make monthly reports thereof, and of all other matters, pertaining to his office to the council of said city. (Acts 1929 (Muni. ch.), ch. 4, § 44.)

For state law as to justices of the peace, see W. Va. Code, ch. 50. As to criminal procedure, see W. Va. Code, ch. 62.

Sec. 45. Qualifications of municipal judge; not to appear as counsel in criminal cases; absence or inability to perform duties; bond.

The municipal judge shall be an attorney-at-law and shall have attained the age of twenty-eight years at the date of the beginning of his term of service and shall have been a resident of this state for the period of five years and of the City of Charleston previous to the beginning of his term of service for the period of five years. He shall not appear as counsel in any criminal case in any court during his term of service. In the absence of, or in case of the inability of the municipal judge to perform his duties, the municipal court clerk shall act as municipal judge in his stead, and in the event that neither the municipal judge nor the municipal court clerk can for any cause perform such duties, then the mayor shall act as municipal judge. The official bond of a justice of the peace shall not be required of the municipal judge. (Acts 1929 (Muni. ch.), ch. 4, § 45.)

Sec. 46. Bail.

In all cases of arrest by the police of the city, except in cases of murder and rape, the person arrested shall have the absolute right to give a reasonable and proper bond for his appearance at police court [municipal court] for a trial of his case, and the municipal judge, city clerk, municipal court clerk, mayor, chief of police and the desk sergeant or person in charge of police headquarters shall have the power, and it shall be their duty, to accept such bond from such person so arrested, and upon the giving of such bond he shall be released, and it shall be their further duty to permit such person arrested to communicate in any reasonable way with any person or persons with whom he may desire to

have communication in reference to his giving bail in order to obtain his release, and each of said officers and all policemen shall render reasonable aid in assisting such person arrested to communicate with any person that he may desire for the purpose of securing such bail. In case one so arrested fail to give bond as aforesaid, the municipal judge, or if said judge be not then sitting, either of the officers named above may order such person committed to the city jail for safe keeping until the trial of his case. (Acts 1929 (Muni. ch.), ch. 4, § 46.)

For constitutional provision as to excessive bail, see W. Va. Const., art. III, § 5.

Sec. 47. Authority of council, manager and police officers relating to nuisances; duties and responsibilities of owners and occupants of property; enforcement.

The manager of said city shall have authority to abate and remove all nuisances in said city. He may compel the owners, agents, assignees, occupants or tenants of any lot, premises, property, building or structure, upon or in which any nuisance may be, to abate and remove the same by orders therefor, and the council shall by ordinance provide a penalty for the violation of such orders. Council may by ordinance regulate the location, construction, repair, use, emptying and cleaning of all water closets, privies, cesspools, sinks, plumbing drains, yards, lots, areaways, pens, stables and other places, where offensive, unsightly, unwholesome, objectionable or dangerous substances or liquids are, or may accumulate, and provide suitable penalties for the violation of such regulations, which may be enforced against the owner, agent, assignee, occupant or tenant of any premises, or structure where such violation may occur. It shall be the duty of all police officers to report to the manager the facts as to the existence of any nuisance known to them.

If the owner, agent, tenant, assignee or occupant of any such premises, lot, property, building or structure, as is mentioned herein, shall fail or refuse to abate or remove any such nuisance, as mentioned herein, or to comply with the provisions of any such ordinance and the regulations herein contained, the manager may have said nuisance abated or the provisions of said ordinances carried out, after reasonable notice to said owner, occupant, tenant, agent or assignee of his intention so to do, and collect the expenses thereof, with one per centum per month interest added from the date of said notice, from the said owner, occupant, tenant, agent or assignee, by distress or sale, in the same manner in which taxes levied upon real estate for the benefit of said city are herein authorized to be collected, and the expense shall remain a lien upon said lot, or part of lot, the same as taxes levied upon real estate in said city; which lien may be enforced by a suit in equity before any court having jurisdiction, as other liens against real estate are enforced. In case of non-resident owners of real estate such notice may be served upon any tenant, occupant, assignee or rental agent, or by publication thereof once a week for not less than two consecutive weeks in two newspapers of opposite politics, published in said city.

And in all cases where any tenant, occupant or agent is required to abate and remove any nuisance under the provisions of this section, or comply with

the provisions of any such ordinance as is mentioned herein, the expense thereof may be deducted out of the accruing or accrued rent of said property or amount due said owner from said agent, and such tenant, occupant or agent may recover the amount so paid from the owner, unless otherwise especially agreed upon.

Any expense incurred by the manager as herein provided, in the manner aforesaid, may be collected in the manner herein provided, notwithstanding the imposition of any other penalty or penalties upon any of the persons named herein, under any of the provisions of this act [this Charter]. The abatement or removal of any such nuisance by the city at the expense of said city, as herein provided, shall be prima facie proof that the said notice to the owner, occupant, agent or assignee was given as herein prescribed. (Acts 1929 (Muni. ch.), ch. 4, § 47.)

Sec. 48. Connection with sewer system.

The manager may require all owners, tenants or occupants of improved property which may be located upon or near any street or alley along which may be extended any sewer or system of sewerage, which the said city may construct, own or control, to connect with such sewer, or system of sewerage, all privies, ponds, water closets, cesspools, drains or sinks, located upon their respective properties or premises, so that their contents may be made to empty into such sewer or system of sewerage. (Acts 1929 (Muni. ch.), ch. 4, § 48.)

For state law as to authority of municipalities to require sewer connections, see W. Va. Code, § 8-18-22.

Sec. 49. Construction of sidewalks, curbs and gutters; duty of county clerk to record assessments.

The council shall have the right and authority to establish the width of any sidewalk on any street, alley or public square, or any portion thereof in said city, to cause to be put down a suitable curb of brick, stone or other material alone for the footways and sidewalks of the streets, alleys or public squares or portion thereof, and to order the construction, relaying and repair of sidewalks and gutters of such material and width, and in such manner, as the council may reasonably prescribe by the owners or occupiers of the lots or parts of lots facing upon said streets, alleys and public squares; and in case of a failure or refusal of any such owners or occupiers of the lots or parts of lots to construct, re-lay or repair such sidewalks and gutters, when required, it shall be lawful for the council to have such sidewalks and gutters constructed, re-laid or repaired, and levy and collect the expense thereof, with one per centum per month interest added after a demand of thirty days has been made by the treasurer of the city from the said owner, owners, occupier, occupiers or any of them; and in all cases of such assessment, whether for the construction, re-laying or repairing of sidewalks or gutters, payment thereof shall be made to the treasurer

within thirty days after the completion of the work and demand made, and if not so paid the city is hereby authorized to collect or cause to be collected the expense thereof, with one per centum per month interest added after work has been completed and a demand of thirty days, and they shall have the power to collect, or cause to be collected, the same from said owner, owners, occupier or occupiers or any of them, by distress and sale, in same manner in which taxes levied upon real estate for the benefit of the said city are herein authorized to be collected, and in addition there shall be a lien upon the real estate against which such assessment has been levied for the construction, re-laying and repairing of sidewalks and gutters as herein provided, which lien may be enforced by a suit in equity before any court having jurisdiction, as other liens against real estate are enforced, and it shall be the duty of the city clerk to cause to be certified to the clerk of the county court of Kanawha County the order laying an assessment authorized by this section. The clerk of the county court of Kanawha County is hereby required to record and index such assessments in the proper trust deed book in the name of persons against whose property assessments appear therein; provided, however, that a reasonable notice shall first be given to said owner or occupier or their agent, that they are required to construct, re-lay or repair such sidewalks or gutters. In case of non-residents who have no known agent in said city, such notice may be given by publication for a period not less than once a week for two consecutive weeks in any newspaper printed in said city; and in all cases where a tenant shall be required to construct, re-lay or repair sidewalks or gutters in front of the property of his or her occupancy, the expense of such construction or re-laying or repairing may be deducted out of the accruing rent of said property, and he may recover the amounts paid from the owner; unless otherwise especially agreed upon. The laying or construction of any such sidewalks by said city shall be prima facie proof that the said notice to the owner (resident or non-resident) or occupier, or their agent, was given as herein required. (Acts 1929 (Muni. ch.), ch. 4, § 49.)

Sec. 50. Annual estimate for tax levy.

The council shall ascertain the total expense of the city to be provided for by levy for the fiscal year in which said levy is made, and it shall make a detailed itemized estimate of the sum of money necessary to pay interest accruing on the bonded indebtedness of said city, the amount required for the several sinking funds for the reduction of the principal thereof, the amounts necessary for the support of the various departments of the city and for the improvements of its streets, alleys, avenues and public grounds, real and personal property, contingent expenses and other expenses, together with an itemized statement of the estimated receipts other than that to be derived by the annual levy, and after receiving such estimates, and before making the levy, it shall apportion the rate thereof, including the estimated receipts from licenses and all other sources among the several funds so ascertained and provided for, which apportionment shall be spread upon the records of this city, and in making said estimate, providing for the revenue for the fiscal years, etc., it shall be the duty of the council strictly to observe all the provisions of chapter 9 of the Acts

of the Legislature, 1908, entitled, "An act to regulate the rate and manner of laying levies for taxation in counties, magisterial and school and independent school districts, and municipal corporations, and to provide penalties for the illegal expenditure of public moneys, incurring of illegal obligations and the laying of illegal levies by any tax levying body, and for the distribution of a portion of the school fund," [now codified as art. 8, ch. 11 of the Code of West Virginia] and all amendments thereto, except where said last named act shall be inconsistent with this act [this Charter] as to limit of taxation. (Acts 1929 (Muni. ch.), ch. 4, § 50.)

For state law as to municipal general property and benefit taxes, see W. Va. Code, § 8-13-1. As to levy estimates by municipalities, see W. Va. Code, § 11-8-14.

Sec. 51. Authority to levy and collect taxes: limit of taxation.

The council shall have authority to levy and collect an annual tax on real estate and personal property in said city and to impose a license and assess a tax on all dogs kept within the city and to impose a tax upon all other subjects of taxation under the several laws of the state, which shall be uniform with respect to persons and property within the jurisdiction of said city, and shall only be levied on such property, real, personal and mixed, on which the state imposes a tax; provided, that with the exception of the special levies authorized by law, no greater levy shall be laid by said council on the taxable property of said city than fifty cents upon each hundred dollars of the assessed valuation of the property of the municipality; and, provided, further, that the council shall, in making such levy, be subject to all provisions of chapter 9 of the Acts of the Legislature of 1908 [now codified as art. 8, ch. 11 of the Code of West Virginia] and any and all amendments thereto, except as herein provided. There shall be a tax of two dollars annually assessed on each and every male inhabitant of said city over the age of twenty-one years who is subject to a capitation tax under the laws of the State of West Virginia. The same shall be set out and included in the personal property book against every such inhabitant, and shall be collected under the authority of the city at the time of collecting other levies and taxes. (Acts 1929 (Muni. ch.), ch. 4, § 51.)

Editor's note.--Sec. 2 of art. 10 of the W. Va. Const., and sec. 8-13-3 of the W. Va. Code, relating to capitation taxes, have been repealed; the city no longer imposes a capitation tax. For additional limitations on taxation of property, see W. Va. Const., art. 10, § 1.

Sec. 52. Collection of taxes.

The city taxes annually levied by the council shall be collected as follows: Immediately after the annual levy for city taxes is laid the council shall direct

the proper officer of the city to extend the same on the property books made out by him, including therein the proper capitation tax; he shall make out therefrom proper tax tickets in the following manner: That is to say, instead of a single ticket for the whole amount charged to any person, firm or corporation there shall be two tickets, each for one-half of said amount; these half tickets shall be severally numbered or designated "first" and "second" and the same, after being examined and compared by the council and found to be correct, shall be turned over to the treasurer of the city on the first day of October following the levy and the treasurer's receipt for the gross amount thereof shall be returned, entered upon its record and the treasurer charged therewith. The treasurer shall give notice by publication for twenty days in two newspapers of opposite politics published in said city, that said tickets are in his hands for collection stating the penalty for nonpayment thereof and the time and place when the same may be paid; provided, however, that the taxpayers shall have the right to anticipate the payment of the whole or any part of the taxes assessed against them.

The one-half ticket designated "first" may be paid to the treasurer of the city any time before the first day of November next succeeding said levy; the one-half ticket designated "second" may be paid to the treasurer of the city at any time before the first day of May next succeeding said levy. To all the half tickets designated "first" remaining unpaid in the treasurer's hands on the said first day of November succeeding said levy, a penalty of ten per cent shall be added and collected from the taxpayers. To all half tickets designated "second" remaining unpaid in the treasurer's hands on the first day of May succeeding said levy a penalty of ten per cent shall be added as a penalty and shall be collectible from the taxpayers. On said first day of November succeeding said levy all such half tickets designated "first" and on said first day of May succeeding such levy all such half tickets designated "second" remaining unpaid in the treasurer's hands shall be taken up by the council and settlement had with said treasurer on said days respectively, or on the next succeeding days, respectively, if said days shall fall upon Sunday, and thereupon the council shall place said tickets in the hands of the city collector for collection and shall take his receipt therefor; provided, however, that the council shall have the power any year, by resolution, to extend the time within which the tickets may remain in the treasurer's hands and be paid to him without adding the penalty, for a period named therein not exceeding, however, a total of fifteen days.

The city collector shall have the power to collect said tickets so placed in his hands, together with the penalties thereon herein provided to be added thereto, and the compensation of such city collector for making such collection of the taxes aforesaid shall be fixed by the council.

The city collector shall be charged with the gross amount of said tax tickets so delivered to him for collection, including the penalties accrued thereon so delivered, and no deduction therefrom shall be allowed, unless on or before the first day of August of each year he makes out and returns to the council a delinquent list of taxes uncollected for such year, with his oath at-

tached hereto, stating that such list is correct and just and that he has received no part of the taxes mentioned therein, and that he has used due diligence to find property liable to distress for taxes, has found none, and that he could not collect the same.

Neither the treasurer nor the city collector shall take or collect anything but money for payment of taxes. (Acts 1929 (Muni. ch.), ch. 4, § 52.)

Editor's note.--Most of the provisions of §§ 52, 53 and 54 of the Charter have become obsolete due to changes in the Constitution and the Code of West Virginia. Const. art. 10, § 2 and W. Va. Code, § 8-13-3, authorizing a capitation tax, have been repealed. W. Va. Code, § 11A-1-4, provides that the sheriff of the county shall collect all taxes levied in his county, and § 11A-1-15 requires him to pay into the municipal treasury each month all taxes collected for the municipality. Other provisions of Charter §§ 52 through 54 have also been superseded by W. Va. Code, ch. 11A, which relates to the collection and enforcement of property taxes.

Sec. 53. Powers of collector.

The city collector shall have the power to collect the city taxes placed in his hands except as otherwise provided in this act [this Charter], and he shall also have power to collect the city claims which may be placed in his hands by the council for collection, except that fines imposed by the municipal judge shall not be collected by him. (Acts 1929 (Muni. ch.), ch. 4, § 53.)

Editor's note.--See editor's note following text of sec. 52, insofar as it relates to collection of taxes as distinguished from city claims and fines.

Sec. 54. Distress for collection of taxes.

All goods and chattels belonging to a person, firm, corporation or estate, assessed with any city taxes, whether the same be a capitation tax or a tax upon real estate or personal property or an assessment for paving or other improvements, shall be liable for said tax, and may be distrained therefor in whosoever's possession they may be found, and the city collector shall have the same power to collect said tax or assessment from any person owing a debt to or having in his possession any estate belonging to a person assessed with any tax or assessment of any kind that the sheriff has to collect state taxes in such cases. The city collector may distrain and sell for all city taxes and assess-

ments and in all respects have the same power to enforce the collection thereof as the sheriff has to enforce the collection of state taxes. (Acts 1929 (Muni. ch.), ch. 4, § 54.)

Editor's note.--See editor's note following text of sec. 52, insofar as it relates to collection of taxes, as distinguished from assessments for paving or other improvements not turned over by the city to the sheriff for collection as taxes.

Sec. 55. Lien on real estate for taxes--Established: enforcement by suit in court of record: priority of lien.

There shall be a lien upon all real estate within said city for the city taxes assessed thereon, including such penalties added thereto for non-payment thereof as are prescribed by this act [this Charter], from the first day of January of the year in which said taxes are assessed. Said liens may be enforced by appropriate suit in any court of record in Kanawha County: provided, such suit be instituted within five years from the time the said liens attached as herein provided, and such suit may either be instituted by and in the name of the City of Charleston as plaintiff, or said city may intervene by petition in any suit pending to sell or enforce liens against any real estate which is subject to such lien for said taxes. The liens herein created shall have priority over all other liens except those for taxes due the state. (Acts 1929 (Muni. ch.), ch. 4, § 55.)

For state law as to attachment of lien on real property for taxes assessed thereon, see W. Va. Code, § 11A-1-2. As to collection of taxes by appropriate court action, see W. Va. Code, § 11A-2-2.

For a case construing language of a prior city Charter somewhat similar to the language of sections 55 and 56 of the present city Charter, see Horn v. City of Charleston, 91 W. Va. 73, 112 S.E. 239 (1922).

Sec. 56. Same--Enforcement by tax sale.

Said liens for city taxes and attendant penalties may also be enforced by certifying the same to the clerk of the county court of Kanawha County for certification to the state auditor, and the same may be certified down by said auditor, and sold for taxes, interest, penalties and commissions thereon, in the same manner, at the same time, and by the same officer as real estate is sold for taxes, interest, damages, cost and commission due the state thereon, which

officer shall account therefor on settlement with the city and pay over the same to the treasurer of the city. (Acts 1929 (Muni. ch.), ch. 4, § 56.)

Editor's note.--Due to changes in state law since 1929, when the provisions of Barnes' West Virginia Code Annotated, 1923, ch. 31, was in effect, and on which this section is based, this section is obsolete. Real estate tax sales are now conducted by the sheriff of Kanawha County pursuant to the provisions of W. Va. Code, ch. 11A, art. 3.

Sec. 57. Limitation on authority of county to tax persons and property within city for streets, education or poor outside city limits; control of streets and schools within city; joint ownership of bridges.

No taxes or levies shall be assessed upon or collected from the taxable persons or property within the corporate limits of said city, for the construction, improvement or keeping in repair of roads, or the building, leasing or repairing of school houses, or the purchase of lands for the same, or for the support of schools, or for the support of the poor of Kanawha County, outside of said corporate limits, for any year in which it shall appear that said city shall at its own expense provide for its own poor and keep its own roads, streets, sewers and bridges in good order. And neither the county court of Kanawha County nor the authorities of the district in which said city is situated, shall have or exercise jurisdiction within the corporate limits with relation to the roads, streets, alleys, bridges, wharves, docks, ferries, schools or school houses, but the same shall be and remain under the exclusive jurisdiction and control of the municipal authorities of said city, except that the board of education in the independent school district of the City of Charleston shall have jurisdiction, supervision and control of the schools and school houses in said district; and said city shall be liable only for the construction, improvement, repair and good order of the roads, streets, sewers, alleys, wharves and bridges in its corporate limits, except that the County of Kanawha may become a joint owner and controller with the City of Charleston in a bridge or bridges across Kanawha River. (Acts 1929 (Muni. ch.), ch. 4, § 57.)

Sec. 58. Depositories.

It shall be the duty of the treasurer of the city to keep all funds of the city in some bank or banks within said city, which shall pay interest on such deposits and which shall pay interest on the average daily balance of such funds in all accounts of the per cent equal to that paid by state depositors on all funds of the State of West Virginia and in the same manner and at the same time. If no bank within the city is willing at any time to receive deposits of the treasurer and to pay such interest thereon, the treasurer shall report this fact to the

council, who shall thereupon designate a bank or banks in which he shall deposit said funds for the time being and until some bank in said city will receive such deposits on such terms. Before receiving any such deposits such bank or banks shall give bond in such penalty as the council shall prescribe, and with securities to be approved by said council, conditioned for the prompt payment, whenever lawfully required, of all the city moneys or parts thereof which may be deposited with them, which bond shall be renewed at such times as the council may require. (Acts 1929 (Muni. ch.), ch. 4, § 58.)

For state law as to state depositories, see W. Va. Code, ch. 12, art. 1.

Sec. 59. Bonds--Authority to issue; purposes; interest; limit; taxation to pay interest and principal.

The City of Charleston is hereby authorized to issue and sell bonds of said city, for the purposes of buying and building bridges, electric light plants, water works, gas lines and fields, and other public utilities; and for the purpose of acquiring and providing land for public parks, public streets, avenues and alleys, airports and other public grounds, and acquiring or assisting in acquiring property to be donated, dedicated or conveyed to, or otherwise vested in, the State of West Virginia, as a site for a state capitol and other public buildings, which donation, dedication and conveyance are hereby authorized to be made, and also to provide ground for and erect an incinerator plant or garbage crematory, or other plant or means for the disposal of garbage and refuse; and such bonds shall be sold for not less than par, and shall be payable in a period not to exceed thirty-four years, and shall bear interest, not to exceed six percentum per annum; and in the issuance and sale of said bonds the city shall be governed by all the restrictions of the Constitution of this state and the statutes of this state, with respect to the issuance and sale of other bonds; provided, that said city shall not, by the sale or issue of bonds for the purposes above mentioned, cause the aggregate of its indebtedness, of every kind whatever, to exceed five per centum of the value of the taxable property therein, but may for the above purposes issue bonds to the maximum limit of said five per cent; nor shall said city make such issue and sale of bonds without, at the same time, providing for the collection of a direct annual tax sufficient to pay annually the interest on the same, and a sinking fund to pay the principal within the time for which said bonds shall be issued. (Acts 1929 (Muni. ch.), ch. 4, § 59.)

For state law as to municipal public works and revenue bond financing, see W. Va. Code, ch. 8, art. 16. As to public bonded indebtedness generally, see W. Va. Code, ch. 13.

Sec. 59-a. Same--For improvement of streets.

The City of Charleston is hereby authorized to issue and sell bonds of said city, for the purpose of paying the city's part of the cost of grading, curbing, paving, sewering or otherwise improving the avenues, streets, roads and alleys of said city, and for the purpose of providing funds to cover all or any part of the cost of grading, curbing, paving or sewering that may be assessed against abutting property owners in the manner provided for by law; and said city is hereby given full power to employ the proceeds of such bonds in the purchase of paving certificates or other permanent improvement certificates issued under the provisions of the Charter and made liens or assessments against real estate in said city, at not to exceed their par value, and may hold and collect or otherwise dispose of the same; provided, that said city shall not by the sale or issuance of bonds for the purposes above mentioned, cause the aggregate of its indebtedness, of every kind whatever, to exceed five per centum of the value of the taxable property therein.

The proceeds of any bond issue, authorized under this section, shall be set aside as a separate fund, and all special assessments covering improvements, the cost whereof has been advanced out of this fund, shall be paid into and become a part of said special fund and be used for the same purpose and in the same manner as the proceeds of said original fund.

This fund shall continue to be used for the purposes mentioned herein, until such time as the city's part of the cost of grading, curbing, paving, sewering or otherwise improving the avenues, streets, roads or alleys of the city equals the original proceeds of the bond issues authorized for the purposes mentioned herein. The issuance and sale of bonds, authorized by this section, shall be governed by all of the restrictions of the Constitution of this state and statutes of this state with respect to the issuance and sale of other bonds of said city. No issuance and sale of bonds, under this section, shall be made, unless at the same time provision is made for the collection of a direct annual tax, sufficient to pay the annual interest on the same and create a sinking fund to pay the principal within the time for which said bonds shall be issued. The direct annual tax, provided for in this section, shall be set aside as a separate fund, to be known as an interest and sinking fund. All interest collected on special assessments authorized or referred to in this section shall be placed in and become a part of said special interest and sinking fund, until the principal and interest of said bonds are paid.

Whenever, in the opinion of the council, the special improvement fund created by this section, or any part thereof, is no longer needed the council may order direct that said special assessments, when collected, be applied to retiring such of the bonds provided for herein, as may be outstanding at that time. (Acts 1929 (Muni. ch.), ch. 4, § 59-a.)

For state law as to municipal public works and revenue bond financing, see W. Va. Code, ch. 8, art. 16. As to public bonded indebtedness generally, see W. Va. Code, ch. 13.

Sec. 60. Same--In anticipation of special assessments for street improvements or sewer construction; limitation on indebtedness.

The City of Charleston is hereby authorized to issue and sell the bonds of the said city for the purpose of providing for grading, paving and otherwise improving the streets and alleys of said city or constructing sewers for the proper drainage of same in anticipation of special assessments to be made upon the property abutting upon the streets and alleys so improved, or property so sewered or drained, and such bonds may be in such an amount as shall be sufficient to pay the entire estimated cost and expense of said improvements, for which such special assessments are levied; provided, that the price for which said bonds are sold shall not be below par value thereof; said bonds may be payable in groups of one-fifth of the whole issue payable in two, four, six, eight and ten years respectively, and all payable in not to exceed ten years from the date of issue thereof, and shall bear interest at a rate not exceeding six per centum per annum, payable annually; and in the issuance and sale of said bonds, the city shall be governed by all the restrictions and limitations of the Constitution of this state and the restrictions and limitations of the statutes of this state with respect to the issuance and sale of other bonds, and the assessments as paid and provided for in this act [this Charter] shall be applied to the liquidation of said bonds and the interest thereon; and if by reason of the penalties collected with the delinquent assessments, there be any balance after the payment of said bonds and all accrued interest and costs, the said balance shall be turned into the city treasury to the credit of the interest and sinking fund of the city.

Provided, that said city shall not by the sale or issue of such bonds cause the aggregate of its debt of every kind whatsoever to exceed five per centum of the value of the taxable property therein; and provided, further, that nothing herein contained shall be construed as authorizing said city to become indebted in any other manner or for any other purpose, to an amount including the existing indebtedness in the aggregate exceeding two and one-half per centum on the value of the taxable property therein (as provided in chapter 51 of the Acts of 1905)* except for the purpose of grading, paving, sewering and otherwise improving the streets and alleys of said city and as provided for in this act [this Charter], and except for the purpose of buying or building bridges, electric light plants, water works, gas lines and fields and other public utilities; nor shall they make such issue and sale of bonds for grading, paving, sewering and improving the streets and alleys of said city without, at the same time, providing for the collection of a direct annual tax sufficient to pay annually the interest on such debt and principal thereof within a period not exceeding ten years.

*Editor's note.--Acts 1905, ch. 51, § 1, reads as follows: "No county, city, school district or municipal corporation, except in cases where such corporations have already authorized their bonds to be issued, shall hereafter be allowed

to become indebted, in any manner or for any purpose, to an amount, including existing indebtedness, in the aggregate exceeding two and one-half per centum on the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes, previous to the incurring of such indebtedness; nor without, at the same time, providing for the collection of a direct annual tax sufficient to pay annually the interest on such debt, and the principal thereof within and not exceeding thirty-four years; provided, that no debt shall be contracted under this section, unless all questions connected with the same shall have been first submitted to a vote of the people, and have received three-fifths of all the votes cast for and against the same." Section 2 provides that the act shall not take effect until Jan. 1, 1906.

All assessments, interest and penalties thereon, collected from the abutting property owners, on account of grading, paving, sewering or otherwise improving the streets and alleys of such city under the provisions of this act [this Charter], shall annually be applied to the annual tax required to pay the interest on such debt and such principal within and not exceeding said period of ten years and in the event that the assessments, interest and penalties so called do not amount to a sum sufficient to pay annually the interest on such debt, said city shall collect so much of said levy as will pay annually the interest on such debt, and the principal thereof within and not exceeding ten years. (Acts 1929 (Muni. ch.), ch. 4, § 60.)

Editor's note.--This section is substantially in the language of Barnes' West Virginia Code Annotated, 1923, ch. 47, § 49c (1), including the reference to Acts 1905, ch. 51. That section of the 1923 Code, as subsequently amended, is now W. Va. Code, § 8-18-14.

For state law as to municipal public works and revenue bond financing, see W. Va. Code, ch. 8, art. 16. As to public bonded indebtedness generally, see W. Va. Code, ch. 13.

Sec. 61. Contracts for improvement of streets: assessment of cost.

Whenever the council of said city shall deem it expedient to cause any street or alley in said city or portion thereof to be paved, curbed or macadamized, or otherwise improved in a permanent manner; it shall order the work done in the following manner and upon the following terms: The contract for such paving or other improvements shall, after due advertisment in which the coun-

cil shall reserve the right to reject any and all bids, be let to the lowest reasonsible bidder. The contractor shall look only to the city for the payment of the work, and in no sense to the abutting land owners, except as hereinafter provided. The total cost of grading and paving or otherwise improving any such street or alley (with the exception that where a street is occupied by the street car tracks or other railways, such cost of opening or otherwise improving the distance between the rails and two additional feet outside of each rail, shall be borne and paid entirely by the street car or other railway company operating such street or other railway unless otherwise provided by the franchise of such street car or other railway company granted previous to the passage of this act [this Charter]), shall be borne by the owners of the land abutting upon said street, alley or portion thereof, according to the following plan, that is to say: Payment is to be made by all land owners on either side of such portion of a street or block so paved or improved in such portion of the total cost, less the portion, if any, chargeable to such street or other railway company, as the frontage in feet of his land so abutting bears to the total frontage of all lands so abutting on such street, alley or portion thereof so paved or improved as aforesaid.

When the paving of any street, or alley, or portion thereof shall have been let to contract and the work done as hereinbefore provided, it shall be the duty of the engineer of said city to cause the several frontages abutting thereon to be measured, and to calculate the assessment upon each and every land owner so abutting and to certify the same to the council, showing the proper amount to be determined, as provided in the foregoing plan. It shall be the duty of the council to examine and compare such assessment, amounts and names so certified to it, and thereupon give notice by publication once a week for two successive weeks in a newspaper of general circulation published in said city, that an assessment under this act [this Charter] is about to be laid against the abutting property for paving or improvements done on said streets, or alleys, describing the location of such paving or improvements, and any owner or owners thereof shall have the right to appear before said council, within two weeks from the first publication thereof, and move to correct an apportionment or assessment excessive or improperly made as charged, which correction said council shall have the power to make according to the intent of this act, and if found to be correct or when corrected by the council aforesaid, it shall enter the same, together with a description of the lots of land as to location, frontage, depth and ownership, so far as the same may be ascertained, upon its records and to enter in its records that such owners and lots be assessed and chargeable with the amount so ascertained to be borne by them respectively; and when so approved, certified and entered on record, the same shall be and constitute an assessment against said owners and lots for such respective amounts. And it shall be the duty of the council to immediately certify such assessment to the treasurer for collection as herein provided, and a copy of said order, shall be certified by the city clerk to the clerk of the county court of Kanawha County, who shall record and index the same in the proper trust deed book in the name of each person against whose property assessments appear therein. The amount so assessed against said abutting land owners shall be paid in ten payments, as follows: That is to say, one-tenth of said amount, together with

interest on the whole assessment, shall be paid into the city treasury, before the first day of May next after said work is completed and said assessments have been certified to the county clerk. And a like one-tenth, together with interest for one year upon the whole amount remaining unpaid on or before the first day of May in each succeeding year thereafter until all has been paid, and each of said installments of one-tenth beginning with the first, shall bear interest on the amount of said installments as six per centum per annum from the date of record of same in the county clerk's office until paid; provided, however, that any abutting owner so liable for any portion of the cost of such paving shall have the right at any time after the same is certified as aforesaid to the treasurer for collection to anticipate the payment of any or all of said assessments and shall be allowed to pay the face of said assessments with interest at six per cent per annum only from the time of recordation to the time of payment. To each of such installments of assessments remaining unpaid in the treasurer's hands on the day herein specified for the payment thereof, a penalty of ten per centum on the principal sum shall be added and any assessment so remaining unpaid in the treasurer's hands on such date, shall be taken up on such settlements had with the treasurer on such dates, and thereupon place such assessments with the penalty added thereto, in the hands of the city collector to be treated and considered, and payment thereof enforced in all respects as hereinbefore provided for the collection of taxes due the city, and they shall be a lien upon the property liable therefor the same as for taxes, which lien may be enforced in the same manner as provided for taxes. The lien hereinbefore provided for shall have priority over all other liens except those for taxes due the state and shall be on a parity with taxes and assessments due the city, and shall be effective as of the date that the assessment is laid by the council. Whenever all such assessments, for paving, sewerage, macadamizing or other improvements shall be paid in full to the treasurer, he shall deliver to the party paying the same a release of the lien therefor which may be recorded in the office of the clerk of the county court of Kanawha County as other releases of liens, and whenever any such assessments shall not be in the hands of the treasurer for collection, but the same shall be shown to the satisfaction of the city auditor or other official performing the duties of auditor, to have been paid in full or any officer entitled to receive the same, such auditor or the mayor may in like manner execute such release. (Acts 1929 (Muni. ch.), ch. 4, § 61.)

For state law as to collection of assessments, see W. Va. Code, § 8-13-15.

For a case holding that, because of the requirement of this section that each owner of land abutting upon a street to be improved shall be charged with such portion of the total cost of the improvement as the frontage in feet of his land abutting the street bears to the total frontage of all lands so abutting, for the city to assess the cost charged to one such land owner to the other land owners would unbalance this statutory equation, see United States v. City of Charleston, 93 F. Supp. 748

(1950). This Charter section was construed therein as in pari materia with Char., §§ 88, 88b.

Sec. 62. Sewerage assessments against owners of abutting property; requiring connection with sewer; including cost of drains in cost of street improvement.

Whenever the council shall order the construction of any public sewer in said city, the owners of the property abutting upon any street in which such sewer shall be constructed, shall be charged with and liable for sewerage assessments as follows: When said sewer is completed the engineer of said city shall report to the council in writing the total cost of such sewer, and a description of the lots and lands as to the location, frontage, depth and ownership liable for such sewer assessment, so far as the same may be ascertained, together with the amount chargeable against each lot and owner, calculated in the following manner: The total cost of constructing and laying the sewer shall be borne by the owners of the land abutting upon the streets, alleys, right of ways or easements or portions thereof, in which the sewer is laid, according to the following plan: Payment is to be made by each land owner on either side of such portion of a street, alley, right of way or easement in which such sewer is laid, in such proportion as such frontage of his land upon said street, alley, right of way or easement bears to the total frontage of all lands so abutting on such street, alley, right of way or easement; provided, that the charge laid against any owner of property shall not exceed three dollars per linear foot of frontage on each side of the portion of such street, alley, right of way or easement in which any such sewer is laid. In case of a corner lot, frontage is to be measured along the longest dimension thereof abutting on such street, alley, right of way or easement in which such sewer is laid. Any lot having a depth of two hundred feet or more and fronting on two streets, alleys, right of ways or easements, one in the front and one in the rear of said lot shall be assessed on both of said streets, alleys, right of ways or easements, if a sewer is constructed in both such streets, alleys, right of ways or easements. Where a corner lot has been assessed on the end it shall not be assessed on the side, and where it has been assessed on the side, it shall not be assessed on the end. Thereupon said council shall give like notice by publication as is required in case of street paving assessments, and the same rights shall exist as to the persons and property affected and the same duty as to corrections by said council as are prescribed with reference to paving, which report shall in like manner be examined by the council, and if found to be correct, or corrected as aforesaid, and such estimated assessments to be a fair and equitable apportionment of the cost of such sewer upon the basis hereinbefore described, it shall enter an order upon its records, setting forth such location, depth, ownership and said amount of such sewer assessments, against each, respectively, calculated as aforesaid, and the entry of such order shall constitute and be an assessment for such proportion and amount so fixed therein against such respective owners and lots, and if after such advertisements, notice and hearing, said council shall find that such apportionment at

such rate is unjust or inequitable, and contrary to the intent of this act [this Charter], it shall ascertain, fix and assess the cost thereof among and upon the abutting owners respectively, justly and equitably and according to the intent hereof, and in like manner, assess and enter the amount so fixed respectively upon its records, and the council shall, in either event, thereupon certify the same to the treasurer for collection, and certify a copy of such order to the clerk of the county court of Kanawha County, who shall record the same in the proper trust deed book, and index the same in the name of each owner of any such lot so charged with such assessment, and such assessment so made shall constitute and be a lien upon said lots respectively, which shall have priority over all other liens, except those for taxes due the state, and shall be on a parity with other taxes and assessments due the city. Said amounts so assessed against the said several land owners shall be paid by the parties liable therefor to the said treasurer at all times, in the manner and with the attendant penalties for failure to pay promptly at the time prescribed in all respects as hereinbefore provided in the case of assessments for paving streets and alleys in a permanent manner, and the parties liable therefor shall, in the same manner, and to the same extent, have the right and be entitled to anticipate any or all of such installments thereon as in such case provided. The owners of, or the tenants, occupants or agents in control of any lot abutting on or near or adjacent to any street, avenue, alley, right of way or easement in said city, in which a public sewer is or may hereafter be laid and constructed, upon which lot any business or residence building is or may hereafter be erected, or upon which any water stands not connected with a public sewer, may be required and compelled to connect any such building or lot with such sewer. Notice to so connect may be given to the owner, lessee, or occupant of such building. Each day's failure to comply with such notice and connect with such sewer by such owner or owners, ten days after such notice is given, shall be a misdemeanor and a separate and new offense under this section, and every such offense shall be punishable by fine of not less than five nor more than twenty-five dollars. The expense incurred by any tenant, occupant, or agent in complying with the order of said council to make such sewer connection may be deducted out of the accruing rents as provided for in section forty-seven relating to the abatement of nuisances. Jurisdiction to hear, try, determine and sentence for violation of this section is vested in the municipal court of such city.

In the paving, curbing, macadamizing or otherwise improving streets and alleys and providing for the assessment of the cost thereof under section 61 or section 88 of the Charter of the City of Charleston there may be included in any such assessment the cost of constructing the necessary drains for the disposal of surface water. (Acts 1929 (Muni. ch.), ch. 4, § 62.)

For state law as to low cost improvements, see W. Va. Code, ch. 8, art. 17.

Sec. 62-a. Construction of sewer systems or common, lateral, branch, trunk or combined sewers.

The council is authorized and empowered to order and cause to be constructed, in said city, or part within and part outside of the limits of said city, public, common, lateral, branch, trunk and combined sewers or public sewer systems, or both, by contract or directly by the city, for the benfit of said city or any part thereof, and to purchase lands or easements therein or to condemn lands or easements therein in the manner provided by law, for such sewers or sewer systems, and when the council shall order and complete the construction of any such sewer or sewer system or any part thereof in said city, the owners of the property abutting on such sewer or abutting upon an avenue, street, alley, right of way or easement in which such sewer shall be constructed, or abutting on any avenue, street, alley, right of way, easement in which any common sewer, part of a sewer system, is constructed and laid, may be charged with all or any part of the cost thereof, including the cost of such sewer or sewer system at and across intersections at avenues, streets, roads and alleys adjacent thereto. If said work is let to contract, the provisions of the Charter of the City of Charleston relating to street paving contracts shall apply.

A sewer system shall be deemed to include all the common sewers, whether they be lateral, branch, trunk or combined sewers, which serve to drain a definite drainage area as specified in the order of the council directing the work to be done.

A common sewer shall be deemed to be a sewer in which all abutters have equal rights of entrance and use.

A lateral sewer shall be deemed to be a sewer which does not receive the sewage from any other common sewer.

A branch sewer shall be deemed to be a sewer into which the sewage from two or more lateral sewers is discharged, including storm and surface water sewers.

A trunk sewer shall be deemed to be a sewer into which the sewage from two or more branch sewers is discharged.

A combined sewer shall be deemed to be a sewer intended to receive domestic sewage and industrial wastes.

When said sewer or sewer system is completed the engineer of said city shall report to the council in writing the total cost of such sewer or sewer system, and a description of the lots and lands as to the location, frontage, depth and ownership liable for such sewer assessment, so far as the same may be ascertained, together with the amount chargeable against each lot and owner, calculated in the following manner: The total cost of constructing and

laying the sewer or sewer system, including the portions thereof laid in the intersections of streets and alleys, shall be borne by the owners of the land abutting upon the streets, avenues, alleys, rights of way or easements or portions thereof in which the sewer or some part of the sewer system, is constructed and laid; payment is to be made by each land owner on either side of such portion of a street, alley, right of way or easement in which a common sewer is laid, in the proportion that the frontage of his land upon such portion of said street, alley, right of way or easement in which such sewer or sewer system is laid bears to the total frontage of all lands so abutting on such street, alley, right of way or easement; in which the sewer or some part of the sewer system is laid; provided, that the charge laid against any owner of property shall not exceed three dollars per linear foot of frontage on each side of such street, alley, right of way or easement in which any such sewer or part of a sewer system is laid. In case of a corner lot, frontage is to be measured along the longest dimension thereof abutting on such street, alley, right of way or easement in which such sewer is laid, but if sewered on both sides then such a corner lot is to be charged only with the side first sewered. Any lot having a depth of two hundred feet or more and fronting on two streets, alleys, right of ways or easements, one in the front and one in the rear of said lot shall be assessed on both of said streets, alleys, right of ways or easements, if a sewer is constructed on both such streets, alleys, right of ways, or easements. When a corner lot has been assessed on either or both ends, it shall not be assessed on the side, and where it has been assessed on the side, it shall not be assessed on the end.

In the case of corner lots where the cost of sewering along one dimension is not assessed against the owner thereof, and in case of lots less than two hundred feet deep abutting at both ends on a street, alley, right of way or easement in which a sewer is laid, the cost of sewering along the dimension or end not assessed against the property owner shall in every case be borne by the City of Charleston.

Thereupon said council shall give like notice by publication as is required in case of street paving assessments, and the same rights shall exist as to the persons and property affected and the same duty as to corrections by said council as are prescribed with reference to paving. The report of the city engineer shall in like manner be examined by the council, and if found to be correct or corrected as aforesaid, and such estimated assessments to be a fair and equitable apportionment of the cost of such sewer or sewer system upon the basis hereinbefore described, it shall enter an order upon its records, setting forth such location, depth, ownership and said amount of such sewer assessments, against each respectively, calculated as aforesaid, and the entry of such order shall constitute and be an assessment for such proportion and amount so fixed therein against such respective owners and lots; and, if after such advertisement, notice and hearing, said council shall find that such apportionment at such rate is unjust or inequitable, and contrary to the intent of this act [this Charter], it shall ascertain, fix and assess the cost thereof among and upon the abutting owners respectively, justly and equitably and according

to the intent hereof, and in like manner assess and enter the amount so fixed respectively upon its records; and, the council shall, in either event, thereupon certify the same to the treasurer for collection and certify a copy of such order to the clerk of the county court of Kanawha County, who shall record the same in the proper trust deed book, and index the same in the name of each owner of any such lot so charged with such assessment, and such assessment so made shall constitute and be a lien upon said lots respectively, which shall have priority over all other liens, except those for taxes due the state, and shall be on a parity with other taxes and assessments due the city. Said amounts so assessed against the said several land owners shall be paid by the parties liable therefor to the said treasurer at all times, in the manner and with the attendant penalties for failure to pay promptly at the time prescribed in all respects as hereinbefore provided in the case of assessments for paving streets and alleys in a permanent manner, and the parties liable therefor shall, in the same manner, and to the same extent, have the right and be entitled to anticipate any or all of such installments thereon as in such case provided. The owners of, or the tenants, occupants or agents in control of any lot abutting on or near or adjacent to any street, avenue, alley, right of way or easement in said city, in which a public sewer is or may hereafter be laid and constructed, upon which lot any business or resident building is or may hereafter be erected, or upon which any water stands not connected with any public sewer, may be required and compelled to connect any such building or lot with such sewer. Notice to so connect may be given to the owner, lessee, or occupant of such building. Each day's failure to comply with such notice and connect with such sewer by such owner or owners, ten days after such notice is given, shall be a misdemeanor and a separate and new offense under this section, and every such offense shall be punishable by fine of not less than five nor more than twenty-five dollars. The expense incurred by any tenant, occupant, or agent in complying with the order of said council to make such sewer connection may be deducted out of the accruing rents as provided for in section 47 relating to the abatement of nuisances. (Acts 1929 (Muni. ch.), ch. 4, § 62-a.)

Sec. 63. Resolution declaring necessity for street improvement--Required: procedure for adoption.

Whenever it is deemed expedient by the council of said city to provide for the grading, paving, sewering, macadamizing or otherwise improving any street or alley therein to be paid for in whole or in part by special assessment said council shall declare by resolution, by aye and no vote, the necessity of such improvement. At the time of the passage of said resolution the said council shall have on file in the office of the city engineer, plans, specifications, estimates and profiles of the proposed improvements, showing the proposed grade of the street and improvement, after completion, with reference to the property abutting thereon, which plans, specifications, estimates and profiles shall be open for the inspection of all persons interested. Said resolution shall determine the general nature of the improvement, what shall be the grade

of the street, alley or other public place to be improved, as well as the grade or elevation of the curb, and said council shall approve the plans, specifications, estimates and profiles for the proposed improvement. The council shall also determine in said resolution the method of paying for the work contemplated in said plans and specifications whether by an appropriation from funds in the treasury unappropriated, or whether or not bonds shall be issued in anticipation of the collection of special assessments, to be made against the abutting property owners as provided for in section 61 of this act [this Charter]. Said resolution shall further show the approximate estimated cost of said proposed improvement per front foot of the property abutting thereon, and shall fix a date, at some regular or special meeting of the council, on which the owners of property to be assessed for such improvement may appear before council and protest against the same or be otherwise heard in reference thereto. Assessments shall be payable in ten installments as provided for in said section 61. The resolution herein provided for, declaring the necessity for said improvement, shall be published at least once a week for two successive weeks after its adoption, in a newspaper of general circulation published in the city, and an affidavit of the publisher showing publication for such time, together with a copy of said notice attached, shall be filed with the city clerk of the said city and spread upon the record of the minutes of the next meeting of the council. Said resolution shall be in effect from and after the first publication thereof as herein provided for. (Acts 1929 (Muni. ch.), ch. 4, § 63.)

Sec. 64. Same--Service on property owners of notice of passage.

A notice of the passage of the resolution required in the last preceding section, embodying a copy of said resolution, shall be served upon the owner of each piece of property to be assessed, said service to be made in the manner provided by this act [this Charter] for serving notices herein required or in other lawful manner; provided, that if any of the owners or persons be not residents of the City of Charleston, or if it appears by the return in any case, that the owner cannot be found, then a notice of the passage of said resolution shall be published in some newspaper of general circulation in said city once a week for two successive weeks, which notice shall be deemed completed on the day of the second publication thereof, and such notice whether by service or publication, shall be completed at least three days before the date fixed for hearing thereon, as aforesaid, and before the introduction of any ordinance providing for said improvement, as hereinafter provided for; and the return of the officer, or sworn return of any other person, serving such notice or a certified copy of said return, or when published, the certificate of the publisher of said newspaper, shall be prima facie evidence of the service of the notice as herein required. Notice upon infants may be served on their guardian, and upon insane persons by service upon their committee. It shall be the duty of the city manager to cause such notice to be served upon said property owners as aforesaid. (Acts 1929 (Muni. ch.), ch. 4, § 64.)

Sec. 65. City executive committees of political parties.

The city executive committees of the two political parties casting the highest vote at the last preceding general election, shall each consist of one person from each of the wards of the city to be selected in the same manner and at the same time that candidates for municipal offices are selected. Vacancies in a committee shall be filled and members to represent newly created wards shall be elected by the committee to serve until the next general city election. (Acts 1929 (Muni. ch.), ch. 4, § 65.)

For state law as to municipal executive committees, see W. Va. Code, § 8-5-14.

Sec. 66. Bonds to pay city's cost of improvement of streets, etc.

It shall be lawful for said City of Charleston to issue and sell its bonds as provided in this act [this Charter] for the sale of other bonds, to pay the city's part of the cost of said improvements as required by this act, and it may levy taxes in addition to all other taxes authorized by law, to pay such bonds and interest thereon, provided that the total indebtedness of the city for all purposes shall not exceed five per centum of the total value of all taxable property therein. (Acts 1929 (Muni. ch.), ch. 4, § 66.)

For state law as to municipal public works and revenue bond financing, see W. Va. Code, ch. 8, art. 16. As to public bonded indebtedness generally, see W. Va. Code, ch. 13.

Sec. 67. Hearing of property owners affected by improvements: ordinance concerning improvement.

After the expiration of not less than ten days from the time of the giving and publication of the notices as provided for in section 64, the council shall sit at the time and place fixed for the purpose of hearing all property owners to be affected, with reference to such proposed improvements, and shall hear and consider any protests or objections thereto; and the council shall thereupon, or as soon as may be, determine whether it will proceed with the proposed improvement or not, and if it decides to proceed therewith an ordinance for the purpose shall be passed. Said ordinance shall set forth the streets and alleys upon which the abutting property is to be assessed for the improvement, and shall contain a statement of the general nature of the improvement, and the character of the materials which may be bid upon therefor, of the mode of payments therefor; a reference to the resolution therefor passed for said improvement, giving the date of its passage and a statement of the intention of the council to proceed therewith in accordance with said resolution and in accordance with the plans, specifications, estimates and profiles provided for said improvement. In setting forth the lots and lands abutting upon the improvement it

shall be sufficient to describe them as the lots and lands abutting upon the improvement it *shall be sufficient to describe them as the lots and lands* [italics supplied by the editors, to indicate probably unintended repetition] bounding and abutting upon said improvements between and including the termini of said improvements, or by the description by which they are described on the land books of the County of Kanawha, and this rule of description shall apply in all proceedings in which lots or lands are to be charged with a special assessment. (Acts 1929 (Muni. ch.), ch. 4, § 67.)

For state law as to municipal public works and revenue bond financing, see W. Va. Code, ch. 8, art. 16. As to public bonded indebtedness generally, see W. Va. Code, ch. 13.

Sec. 68. Special assessments when several kinds of materials have been named in ordinance providing for improvement.

In any case in which special assessments have been made, or shall hereafter be made, upon property for the construction of any improvement authorized by this act [this Charter] or previous statutes and several kinds of materials have been named in the ordinance or ordinances providing for the same, and on which bids have been received for the construction of said improvements with any, either or all of said material, said assessments shall be valid and binding assessments on the property so assessed. In the case of the construction of sewers required under the provisions of this act [this Charter], notice of the passage of said resolution therefor, as provided for in section 64 of this act, shall be given in the manner provided for in said section of this act. (Acts 1929 (Muni. ch.), ch. 4, § 68.)

Sec. 69. Vote of council required for public improvement: petition by property owners.

No pavement, sewer or sewer system, or other public improvement the cost of all or a part of which is to be especially assessed against abutting property, or against the owners thereof, shall be made without the concurrence of two-thirds of all the members elected to council, unless the owners of a majority of the foot frontage of property to be so assessed, petition in writing therefor, in which event the said council shall have power upon the affirmative vote of a majority of all the members elected thereto to proceed with such improvement in the manner provided by law. (Acts 1929 (Muni. ch.), ch. 4, § 69.)

For state law as to low cost municipal improvements, see W. Va. Code, ch. 8, art. 17.

Sec. 70. Assessment when public improvement passes through or by public property or property of institution.

When the whole or any portion of the improvement authorized by this act [this Charter] passes through or by a public wharf, market space, park, ceme-

tery, structure for the fire department, water works, school building, infirmary, market house, work house, hospital, house of refuge, bridge, gas works, public prisons, court house, church or any other public structure or public grounds within said corporation, and belonging to said corporation, or to the county, state, or any church, association or eleemosynary institution, the council may authorize the proper proportion of the estimated cost and expense of the improvement to be certified to the clerk of the county court of Kanawha, and it shall be the duty of those persons having charge of the fiscal affairs of any such property or institution to make proper arrangements for the payment of such assessments when due and payable. (Acts 1929 (Muni. ch.), ch. 3, § 70.)

Sec. 71. What cost of improvement shall include.

The cost of any improvement contemplated in this act [this Charter] and for which assessments may be made, shall include the cost and expense of the preliminary and other surveys, and of printing and publishing all notices required to be published, and serving the notices upon the property owners and the cost of construction and inspection. (Acts 1929 (Muni. ch.), ch. 4, § 71.)

Sec. 72. Filing statement as prerequisite to action for damages arising out of improvement.

No person shall bring any action whatever in any court in this state for damages arising out of improvements or change of grade unless he shall have filed with the council at some time after the publication of the notice provided for in section 64, and before the time of the introduction of the ordinance providing for said improvement a statement of the damage which, in his opinion, he will sustain by reason of said improvement or the change of grade therefor, which statement shall be duly sworn to and be spread upon the minutes of said council. (Acts 1929 (Muni. ch.), ch. 4, § 72.)

For a case which, in construing identical language of a predecessor of the Charter section here codified, held that it is within the legislative power to require a notice and claim for damages to property caused by municipal action to be given and filed prior to bringing suit thereon, and that such legislative act is not a violation of the constitutional rights of the injured party, provided always that such requirement be not unreasonable, see Whit v. City of Charleston, 98 W. Va. 143, 126 S.E. 705 (1925).

Sec. 73. Liberal construction of proceedings with respect to improvements.

Proceedings with respect to improvements shall be liberally construed by the courts to secure a speedy completion of the work at reasonable cost, and

a speedy collection of the assessments after the time has elapsed for their payments and merely formal objection in such cases shall be disregarded. (Acts 1929 (Muni. ch.), ch. 4, § 73.)

Sec. 74. Election and three-fifths vote required for issuance of bonds; regulations governing.

It is especially provided that no bonds shall be issued under the provisions of this act [this Charter] unless and until the question of issuing said bonds shall have first been submitted to a vote of the people of the city and shall have received three-fifths of all votes cast at said election for or against the same.

The council may provide by ordinance for an election every year, at which the question shall be submitted to the people, as to whether the city shall be authorized to issue bonds for the purpose and under the provisions of this act, to an amount not to exceed in the ensuing year the amount recommended by said ordinance for said ensuing year; but the ordinance providing for said election need not specify in detail the location of the improvements contemplated to be paid for during the ensuing year out of said aggregate issue authorized for said year, but before issuing any bonds the council shall pass separate ordinances for such street or alley to be improved, dealing with all the requirements set forth in section 67 of this act [this Charter], and notwithstanding the provisions of sections 2, 3 and 6 of chapter 47 of the Code,* it shall be sufficient description for the purpose for which said election is held if the ordinance providing for said election shall recite that it authorized the council of said city to issue bonds for the purpose of grading, paving, sewering or otherwise improving the streets and alleys of said city, at such time as to the council shall seem fit during the ensuing year ending on the.....day of ....., 19....., to an amount not exceeding in the aggregate during the said year the sum of.....; and when the council shall have been once authorized by a vote of the people to issue bonds for the purpose and in a sum not to exceed the amount set forth in the ordinance providing for the said election, no further election shall be necessary for the issuing of bonds during said ensuing year up to the amount stipulated in said ordinance providing for said election, but the council shall from time to time during said ensuing year, by ordinance authorize the issue of said bonds, in such sums and for the improvement of such streets or alleys as to it may seem best, providing the requirements of this act are complied with. The aggregate amount of bonds authorized by said annual election shall not be exceeded during said ensuing year, unless and except the same be authorized by special election held at a subsequent time in said year and duly called as provided for the calling of the annual bond election.

**Editor's note.*—*Secs. 2, 3 and 6 of ch. 47 of "the Code," here mentioned, apparently are §§ 2, 3 and 6 of ch. 47A of the W. Va. Code, Annotated, 1906. For present state law as to financing of municipal public works by revenue bonds, see*

W. Va. Code, §§ 8-16-9 through 8-16-17, and, see also, W. Va. Code, ch. 13, relating to public bond issues and indebtedness generally.

The provisions of chapter 47 of the Code [see editor's note, supra] concerning bond elections shall, so far as they are not in conflict with the provisions of this act [this Charter], apply to the annual bond elections and special bond elections herein provided for. (Acts 1929 (Munl. ch.), ch. 4, § 74.)

Sec. 75. Authority of council to lay special levies in years 1929 and 1930 for special purposes.

Editor's note.--The text of this section, being Acts 1929 (Munl. ch.), ch. 4, § 75, is omitted as executed and obsolete. It authorized special levies in the years 1929 and 1930 for the purposes of (1) construction of trunk and branch line sewers: (2) the acquisition of a ramp at the C. & O. Ry. passenger station on the south side of the Kanawha River: and (3) maintenance and care of a municipal cemetery within the city.

Sec. 76. Power of council as to public buildings, hospitals, libraries, etc.

The council shall have the authority to erect, buy, sell and lease all buildings necessary for the use of the city government and to provide for and regulate the same, and to establish and maintain public hospitals, libraries and reading rooms, and to purchase books, papers and manuscripts therefor, and to receive donations, gifts or bequests for same in trust or otherwise. (Acts 1929 (Munl. ch.), ch. 4, § 76.)

Secs. 77, 78 and 79. Fire department civil service.

Editor's note.--The text of these sections, being Acts 1929 (Munl. ch.), ch. 4, §§ 77, 78 and 79, is omitted as obsolete, having been superseded by the provisions of West Virginia Code, chapter 8, article 15, part IV (§ 8-15-11 et seq.), captioned "Civil Service for Paid Fire Departments."

Sec. 80. Political activities by members of fire or police departments.

No member of the fire department or police department shall actively engage in any primary election, convention or election in which any officer in the city, county or state is to be nominated or elected, nor shall such member, directly or indirectly, give or offer to give, contribute or offer to contribute any money or thing of value or profit to any political committee or party orga-

nization to be expended in behalf of any political party, nor to any candidate or candidates for nomination for or election to any office in the city, county or state. The violation of any of the provisions of this section by any member of the fire department or police department shall be deemed misconduct in office. Any member of the fire department or police department guilty of misconduct, shall be dismissed from the service of the city by the head of his department or by council, upon charges preferred and proven by any citizen of said city. (Acts 1929 (Muni. ch.), ch. 4, § 80.)

For state law as to political activity of members of paid fire department, see W. Va. Code, § 8-15-24. As to political activity of members of paid police departments in class I cities, see W. Va. Code, § 8-14-19.

Sec. 81. Service of notice, summons, warrant, etc.

When any notice is required to be given, or any summons, warrant or other process is required to be served or otherwise executed, under the provisions of this act [this Charter], it shall be sufficient if such notice, summons warrant, or other process be executed by an officer of the police department or other employee of said city in the same way or manner in which the laws of the state prescribe for executing summonses and subpoenas by state officers, unless otherwise provided by this act [this Charter]. (Acts 1929 (Muni. ch.), ch. 4, § 81.)

Sec. 82. Contested elections for council.

Whenever one or more members of the council shall be a candidate for re-election, it shall be the duty of the council to meet and appoint some person or persons, qualified to act in hearing contested election matters and cases. The place and stead of such disqualified member or members shall be filled in each case by a member or members of the same political party as the person or persons respectively, in whose place or places he or they are so appointed. Every person so appointed shall take an oath of office to faithfully and impartially perform the duties of said office. In all matters concerning such contests such person or persons so appointed shall act in the place and stead of such member or members, so being candidates, and it shall be unlawful for any member of the council to act as such in hearing any contest in relation thereto, when such member is a candidate at such election; and anyone violating this section shall be deemed ineligible to the office for which he is a candidate. (Acts 1929 (Muni. ch.), ch. 4, § 82.)

Editor's note.--There is no prior reference in the Charter to any "such disqualified member or members" as mentioned in this section. See, however, Char., § 23, which provides, in pertinent part, that "all contested elections shall be

heard and determined by the council," and a logical assumption may be that, in enacting this section, the legislature intended that incumbent council members whose reelection is contested shall be disqualified to hear and participate in the determination of any such contest, and to provide for qualified persons, not members of the council, to act in the place and stead of those members whose election is contested.

Sec. 83. Duties of city clerk as to municipal elections.

The city clerk, acting under the state laws insofar as they are not in conflict with this act [this Charter], shall perform such duties relating to all municipal elections held under the municipal authorities of said city as the clerks of the county and circuit courts of Kanawha County perform under state laws in relation to state, county and district elections in said county; and he shall likewise be the custodian of all ballots, tally sheets, etc., pertaining to all municipal elections. (Acts 1929 (Muni. ch.), ch. 4, § 83.)

Sec. 84. Valid ordinances and regulations passed on or before May 1, 1915, not inconsistent with this Charter, to remain in effect until repealed.

All valid ordinances and regulations passed and adopted by the council, or by the board of affairs and council on or before the first day of May, 1915, and not inconsistent with this act [this Charter], shall be and remain in force unless and until repealed, and the council now [March 6, 1929] in office shall continue to exercise its powers as such until the officers elected in 1931 shall have been qualified. (Acts 1929 (Muni. ch.), ch. 4, § 84.)

Editor's note.--The "board of affairs" herein referred to was the governing body of the city under a Charter enacted in 1907, which was superseded by a new Charter enacted in 1915 providing for a mayor council form of government.

Sec. 85. Powers and duties of policemen.

The mayor shall appoint such number of policemen as are or may be hereafter prescribed by the city council by ordinance, and the mayor shall have at his discretion, the absolute right and power to dismiss any policeman and appoint another in his stead. The policemen shall be under command of the mayor and the chief of police, to be appointed as in this act [this Charter] provided for, and shall perform any and all duties incident to the office of policeman under the instructions and command of the mayor and the chief of police.

and, in addition to the usual and customary duties prescribed by the laws of this state and under the provisions of this Charter required of them, it shall specially be the duty of each police officer to report to the chief of police, or some one designated by said chief of police to receive such report, daily and oftener if occasion demands, the condition of all streets, sidewalks, alleys, basements, backyards, buildings, unimproved lots and all other things and matters within the limits of said city that may come under the notice of such policemen which may relate to the health of the citizens thereof, the sanitary conditions, the necessity of the removal of any obstructions upon any of the streets, alleys or sidewalks, and it shall be the duty of the policemen under their instructions to perform all the duties and exercise all the powers ordinarily imposed upon or given to the officers now known as health officers. It shall also be the duty of each police officer to perform all the duties of humane officer and to exercise all the functions, power and authority relating thereto which are or may be prescribed by any law of this state or ordinance of the city. A police officer in making arrests shall have all of the power and authority of a constable under the laws of the State of West Virginia. (Acts 1929 (Muni. ch.), ch. 4, § 85.)

Editor's note.--The appointment, promotion and dismissal of police officers in paid police departments of class I cities is now governed by the civil service provisions of W. Va. Code, § 8-14-7 et seq.

Sec. 86. Compensation of members of council; absence from meetings.

Each member of the city council shall be paid during his term of office the sum of two dollars and fifty cents for each meeting of the council that he shall attend; provided, that the aggregate amount to be paid to each member of the council shall not exceed the sum of one hundred dollars per annum. The roll of the members of the council shall be called at the beginning and at the end of each meeting thereof, and those members only who answer in person at each roll call shall be entitled to receive their pay for such meeting. The names of those members present at each roll call shall be entered upon the record. If there should not be a quorum present at the first roll call and the meeting be adjourned for that reason, then it shall not be a meeting that will entitle those present to the payment of the sum of two dollars and fifty cents as provided in this section. It shall be the duty of all councilmen to attend all of its meetings, and if any councilman shall be absent from the meetings of council as shown by its records for three consecutive meetings, then his office shall ipso facto become vacant, unless the council shall authorize or excuse such absence. If the office of any councilman shall become vacant under

the provisions of this section, then the council shall proceed to fill the same as it is authorized to do in the case of vacancies. (Acts 1929 (Munl. ch.), ch. 4, § 86.)

For state law providing that, "notwithstanding any charter provision to the contrary," the governing body of every municipality shall by ordinance fix the compensation of every municipal officer and employee; provided, that the salary of an officer shall not be increased or diminished during his term of office, see W. Va. Code, § 8-5-12.

Sec. 87. Reports by manager to council; reports by officers and employees under supervision of manager.

It shall be the duty of the manager, not later than the tenth day of any month after his appointment, to make a detailed report to the council for the preceding month. Such report shall show under distinct heads, first, the names and salaries of all employees under the control and supervision of manager; second, all expenditures or disbursements in the several departments under the supervision of the manager; third, an itemized statement of all purchases, together with the cost thereof, for each and every such department; fourth, all such other matters and things as the council may by proper ordinance or resolution require of said manager. Such report shall be entered of record in the minutes of the council and be a public record, open to the inspection of all persons. All officers or employees in any of the departments under the supervision of the manager shall, whenever required by said manager, make full and complete reports of all things done by them as such officers or employees in connection with the business of the city. (Acts 1929 (Munl. ch.), ch. 4, § 87.)

Sec. 88. Additional method for paving streets; assessment certificates.

In addition to the method provided for paving streets, by section 61 of the Charter of the City of Charleston, the council may order any street, avenue, public alley, or portion thereof, to be graded and paved, re-paved, or otherwise permanently improved, and the council may order the mayor and city clerk to issue a certificate for each installment of the amount of the assessment to be paid by the owner of any lot or fractional part thereof fronting on such street, avenue, or alley. The amount specified in said assessment certificate shall be a lien as aforesaid [in Char., § 61] in the hands of the holder thereof upon the lot or part of a lot fronting on such street, avenue, or alley, and such certificate shall draw interest from the date of said assessment and the payment may be enforced in the name of the holder of said certificate by proper suit in equity in any court having proper jurisdiction to enforce such lien; the council shall fix the amount of such assessment, advertise for bids and do all other things in connection therewith as is provided for paving or permanently im-

proving any street or alley or any portion thereof in section 61, except that such assessment laid under this section shall include the whole cost of such improvement, including the cost of grading and paving squares at intersections of streets and curbing, the costs of which intersections shall be apportioned against the several properties fronting upon the street or portion thereof so improved; and such certificates shall be issued in the same number of installments and payable at the same time as other paving or permanent improvements are provided to be paid for, and shall be a lien in the hands of the holder thereof upon the particular lot against which they are assessed in the same way and manner that assessments are liens under section 61 of said Charter. And nothing contained in this act [this Charter], or in the Charter of the City of Charleston shall be construed as imposing a time limit upon the enforcement by appropriate suit of any lien for public improvements, heretofore or hereafter created.

Certificates authorized by this section may be issued, sold or negotiated to the contractor doing the work, or to any other person if the council deem it expedient; provided, [that] the city in issuing such certificates shall not be held as guarantor or in any way liable for payment thereof.

Certificates so issued shall contain a provision to the effect that in the event of default in the payment of any one of said certificates, when due, and said default continuing for a period of sixty days, then all unpaid certificates shall become due and payable and the holder of said certificates may proceed to collect all of such unpaid certificates in the manner hereinbefore provided. Certificates issued in pursuance of this section shall be negotiable at any bank in the City of Charleston.

The owner of the land or lot of land assessed under this section may at any time anticipate and pay such assessment or certificate with accrued interest thereon.

Provided, that no street, avenue or alley shall be paved or otherwise permanently improved pursuant to this section except and unless two-thirds of all the members elected to the council shall concur in the passage of the ordinance providing therefor, and the vote thereon shall be taken by ayes and noes, and duly entered upon the record. (Acts 1929 (Muni. ch.), ch. 4, § 88.)

For a case holding that the provisions of this section that an assessment under the certificate plan "shall include the whole cost of such improvement" precluded the city from paying to the paving contractor from general revenues or from monies derived from bonds, since if this were done "the whole cost of such improvement" would not be included in the assessment made under the certificate plan, see United States v. City of Charleston, 93 F. Supp. 748 (1950). This Charter section was construed therein as in pari materia with Char., §§ 61 and 88-b.

Sec. 88-a. Void, irregular or omitted assessments.

In the case of the construction of any pavement, sewer, sidewalk or other permanent improvement under the provisions of this Charter where an assessment has heretofore been laid, or may hereafter be laid for the cost thereof, which said assessment is or shall be void or voidable by reason of errors, irregularities or defects in the proceedings under which such improvement was made, or in case such assessment shall have been made against the wrong person or shall have been omitted to be made in a case where the same was proper, it shall be the duty of the council within two years after the completion of such permanent improvement, or after any court shall have declared such assessment invalid, to cause notice to be given to any person against whom the cost of said improvement might properly be or have been assessed under said Charter, of its intention to lay such assessment against him and fixing a time and place at which he may appear and show cause against the same. Said notice shall be served as provided in the said Charter for the giving of notices in assessment proceedings, or in any other manner provided by law, including by publication where the person is a non-resident of the city or cannot be found. At the time and place fixed for hearing under the notice aforesaid, or at any time thereafter, the council shall proceed to lay and levy an assessment for the cost of such permanent improvement in such manner as would have been lawful under proper proceedings at the time said improvement was made, unless the person so notified shall show good cause against the same, and no further notice of such assessment shall be necessary. The assessment so laid shall be a lien upon the property liable therefor and may be recorded and enforced in the same manner as provided for other liens for permanent improvements. This section shall apply to assessments made and certificates issued under section 88 of this Charter, as well as to other assessments and liens for public improvements. (Acts 1929 (Muni. ch.), ch. 4, § 88-a.)

Sec. 88-b. Assessment certificates to pay for cost of construction of sewers and sewer systems.

In addition to the method for the payment of the cost of construction of sewers and sewer systems provided by sections 62 and 62-a of the Charter of the City of Charleston, the council may order any sewer or sewer system constructed and laid, in any block, street, avenue, alley or in any right of way or easement, or portion thereof, and the council may order the mayor and city clerk to issue a certificate for each installment of the amount of the assessment to be paid by the owner of any lot or fractional part thereof fronting on such street, avenue, alley, right of way or easement in which such sewer system is constructed and laid, and the amount specified in said assessment certificate shall be a lien as aforesaid in the hands of the holder thereof upon the lot or part of lot fronting on such street, avenue or alley, right of way or easement, and such certificate shall draw interest from the date of said assessment and the payment may be enforced in the name of the holder of said certificate by proper suit in equity in any court having proper jurisdiction to enforce such lien; the council shall fix the amount of such assessment, advertise for bids

and do all other things in connection therewith as is provided in section 61 of said Charter for paving or permanently improving any street or alley or any portion thereof, the costs of which shall be apportioned against the several properties fronting upon the street, avenue, alley, right of way or easement or portion thereof in which the sewer or sewer system is laid according to the provisions of section 62 or section 62-a, as the case may be. Such certificates shall be issued in the following number of installments.

Where the assessment shall not exceed fifty dollars, the assessment and certificate issued thereon shall be in one amount, due and payable in ninety days from the completion and acceptance of the work; if over fifty dollars and not more than one hundred dollars, then such amount shall be covered by only two certificates of equal amounts, payable in ninety days and one year, respectively; if over one hundred dollars and not more than one hundred and fifty dollars, then such amount shall be covered by only three certificates of equal amounts payable in ninety days, one year and two years, respectively; if over one hundred and fifty dollars and not more than two hundred dollars, then such amount shall be covered by only four certificates of equal amounts, payable in ninety days, one year, two years and three years, respectively; and if more than two hundred dollars, then in five certificates of equal amounts, payable in ninety days, one year, two years, three years and four years, respectively; and the term "equal amounts" herein shall mean as nearly equal as practicable, that is, four certificates being expressed in terms of blank dollars each, and, when practical, in multiples of five, the cents and odd amounts being covered by the first certificate.

Every such certificate shall be a lien in the hands of the holder thereof upon the particular lot against which it is assessed in the same way and manner that assessments are liens under sections 62 and 62-a of this act [this Charter]. And nothing in this act, or in the Charter of the City of Charleston shall be construed as imposing a time limit upon the enforcement by appropriate suit of any lien for public improvements heretofore or hereafter created.

Certificates authorized by this section may be issued, sold or negotiated to the contractor doing the work, or to any other person if the council deem it expedient; and shall be negotiable at any bank in the City of Charleston; provided, [that] the city in issuing such certificates shall not be held as guarantor or in any way liable for the payment thereof. Certificates so issued shall contain a provision to the effect that in the event of default in the payment of any one of said certificates when due, said default continuing for a period of sixty days, unpaid certificates shall become due and payable and the holder of said certificates may proceed to collect all of such unpaid certificates in the manner hereinbefore provided.

Provided, that no sewer or sewer system shall be constructed or laid pursuant to this section except and unless two-thirds of the members elected to the council shall concur in the passage of the ordinance providing therefor,

and the vote thereon shall be taken by ayes and noes, and duly entered upon the record. (Acts 1929 (Muni. ch.), ch. 4, § 88-b.)

For a case holding that an assessment levied pursuant to this section against the United States for paving a portion of Summers Street which abutted upon federally owned property was void in the absence of an act of congress allowing lands of the United States to be subjected to special assessments for local improvements, and that both the lien filed by the city against the federal building and the certificate issued to the paving contractor were also void, see United States v. City of Charleston, 93 F. Supp. 748 (1950). This Charter section was construed therein as in pari materia with Char., §§ 81 and 88.

Sec. 88-c. Subdividing abutting land for purpose of making assessments.

If the abutting land on any avenue, street, road or alley sought to be graded, paved, repaved or otherwise improved, or on any avenue, street, road, alley, right of way or easement in which a sewer or sewer system is ordered laid, under any of the provisions of the Charter of the City of Charleston, is not subdivided or laid off in lots by a map or deed of record, the council may, for the purpose of making the assessments provided for in this section and other sections herein, subdivide said land into lots of such size as the council deems advisable for the purpose of laying the proper assessment against such land. (Acts 1929 (Muni. ch.), ch. 4, § 88-c.)

Sec. 89. Initiation of ordinances by voters.

Any proposed ordinance, or amendment to any ordinance already in effect, may be submitted to the city council by the petition of qualified voters in said city, but such petition must be signed by such number of voters as shall amount to at least ten per cent of the number of votes cast for the office of mayor at the last preceding municipal election. Such proposed ordinance, or amendment to an ordinance, shall be passed without alteration or change by the city council within thirty days after such petition is filed, or the city council shall, in lieu of passing such ordinance or amendment to an ordinance, submit such proposed ordinance, or amendment to an ordinance, in the manner hereinafter prescribed for ratification or rejection to the qualified voters of the city at the next regular municipal election which is to be held not less than sixty days after such petition if filed. If such petition contains a request for a special election and is signed by sufficient qualified voters to equal in number at least fifteen per cent of the votes so cast for the office of mayor at the last preceding regular municipal election, the ordinance or amendment thereby proposed shall be passed by

the city council without amendment or change, within thirty days after such petition is filed, or the city council shall submit such proposed ordinance or amendment for ratification or rejection to the qualified votes at a special election which shall be called within thirty days and held not less than sixty nor more than ninety days after such petition is filed, unless a general or special election is fixed by law to be held within said period of time. In the latter event, said proposed ordinance or amendment shall be submitted for ratification or rejection at such election. The city council shall cause such proposed ordinance or amendment to be printed and published in some newspaper of general circulation in the city once each week from the time the council decides to submit the same to the voters until such election is held. No ordinance or amendment to an ordinance adopted by the voters at any such election shall be repealed or amended by the city council.

The ballot used for any such election shall have printed on it the title of each ordinance, or amendment to an ordinance, submitted for ratification or rejection and on separate lines under said title the words "for said ordinance" and "against said ordinance" (or the amended part thereof, as the case may be). If a majority of the qualified voters of the city voting on any proposed ordinance, shall vote in favor thereof, the same shall thereupon become a valid ordinance and be in full force and effect at the expiration of the period of ten days from and after said election. If two or more ordinances, or amendments to ordinances, adopted at the same election are inconsistent, then the respective ordinance, or amendment to an ordinance, receiving the largest affirmative vote at such election shall prevail, and the form of submission of inconsistent ordinances, or parts thereof, or amendments to ordinances, shall be in such form that the voters may clearly express their choice. (Acts 1929 (Muni. ch.), ch. 4, § 89.)

Sec. 90. Reconsideration of ordinance protested by petition; submission of ordinances to voters.

If within the period of five days after the passage of any ordinance a petition signed by sufficient qualified voters of said city, being in number at least fifteen per cent of the votes cast for all the candidates for the office of mayor at the last preceding regular municipal election, shall be filed protesting against such ordinance, or any part thereof, taking effect, such ordinance, or such part thereof so protested against, shall thereupon and thereby be suspended from taking effect, and the city council shall immediately again consider the same, and if it be not repealed or so amended as to meet the requirements of the said protest, the city council shall submit the same for ratification or rejection to the qualified voters of the city at the next regular municipal election which shall be held not more than thirty days after such petition is filed, or at a special election to be called thereafter by the city council for that purpose to be held in not less than sixty days nor more than ninety days after such petition is filed, and such ordinance, or part thereof so protested, shall not take effect unless a majority of the votes cast at such election thereon shall be

for the ratification thereof. If such petition shall only be signed by sufficient qualified voters to equal in number at least five per cent but not sufficient to equal in number at least fifteen per cent of the votes cast for the candidate for said office of mayor at the last preceding municipal election, the city council shall submit such ordinance, or such part thereof so protested, for ratification or rejection at the next ensuing regular municipal election which is to be held more than thirty days after such petition is filed. The city council may, on its own motion, without any petition being required therefor, submit at a regular or special municipal election any ordinance passed by it in the same manner and with the same force and effect as hereinbefore provided. No ordinance, or part of an ordinance, rejected at any election shall be enacted or passed by the city council within the period of twelve months thereafter. (Acts 1929 (Muni. ch.), ch. 4, § 90.)

For a case holding that a referendum held pursuant to this section of the city Charter cannot affect the validity of an ordinance when questioned for other reasons, see State v. City of Charleston, 130 W. Va. 490, 45 S.E.2d 7 (1947).

Sec. 91. Recall of officers.

Any officer of the City of Charleston elected by the voters under the provisions of this act [this Charter], may be recalled and the office declared vacant as provided in this act. Such officer may be removed from office by a recall election held thereunder, but no such officer shall be removed from office within the period of four months after he enters upon the discharge of his duties as such. Before any such recall election shall be held a petition, stating the name or names and the office or the officer or officers sought to be recalled, and signed by sufficient qualified voters of the said city as shall equal in number the quantity of twenty-five per cent of the votes in the whole city or in the ward, as the case may be, for all the candidates for the office of mayor at the last preceding regular municipal election, and containing a sworn statement of the grounds upon which it is sought to remove the said officer or officers, shall be filed with the city clerk. No such petition shall be filed within the period of six months before the end of the term of such officer. The city council shall immediately, upon the filing of said petition, call a special election in the manner in this act [this Charter] provided for calling special elections and submit to the voters the question of recalling such officer or officers. The ballot at such election, with respect to each person whose recall is sought, shall be substantially as follows: "Shall (name of person) be removed from the office (name of office) by recall?" Immediately following such question there shall be on the printed ballot the two propositions in the order set forth:

"For the recall of (name of person)."

"Against the recall of (name of person)."

Immediately to the left of said proposition shall be printed a square in which the voters, by marking a cross mark (X), or in some other way declaring their intention, may vote for either of such propositions. If sixty per cent of the voters registered voting on said propositions vote in favor of the recall of such officer or officers, then he or they shall thereby be forthwith removed from such office and such vacancy or vacancies shall be filled as provided in this act: provided, however, that within fifteen days after the returns of such recall election shall have been canvassed by the city council, a petition signed by sufficient qualfied voters to equal in number at least thirty per cent of the votes cast in the city, or ward, as the case may be, for the candidates for the office of mayor at the last preceding regular municipal election, and praying that such vacancy or vacancies be filled by a special election to be held not less than thirty days nor more than forty-five days thereafter, the city council shall order a special election to be held in the same manner as other special elections are provided for in this act for the purpose of filling such vacancy or vacancies. (Acts 1929 (Muni. ch.), ch. 4, § 91.)

Sec. 92. Signatures and affidavits to petitions filed under three preceding sections; form of submission of ordinance; all city elections to conform to state law.

The signatures to petitions filed under the provisions of the last three sections need not be all on one paper or one sheet of paper, but separate petitions may be circulated and signed and the aggregate number of names on all of such petitions, if equal to the number required in this act, shall be sufficient. The circulator of each paper shall make and append thereto an affidavit that each signature thereon is the signature of the person whose name it purports to be. The residence address of each signer shall accompany the signature. All such petitions shall be filed with the city clerk and shall be deemed and held to be sufficient if they appear to be signed by the requisite number of signers and such signers shall be deemed and held to be qualified voters, unless a protest in writing, under oath, shall be filed with the city clerk by some qualified voter within fifteen days after such petitions are filed, which protest shall set forth the name of each signer protested against and the ground therefor. It shall be the duty of the city clerk as soon as possible and within twenty-four hours after the filing of such protest to mail a notice to each signer so protested against at his address as given in the petition, requiring him to be and appear before the city registrars at a time fixed in said notice, not less than twenty-four hours nor more than forty-eight hours after the mailing of such notice, for the purpose of defending his right to sign said petition. If it shall be proven by satisfactory evidence that such person is not a qualified signer of such petition, then his name shall be stricken therefrom. All evidence taken shall be under oath, and any signer present at the hearing may be called as a witness by the protestant or testify in his own behalf. All hearings shall be summary, and shall be concluded within fifteen days after such petition is filed. The city registrars [see Char., § 9] shall forthwith certify the result of their examination to the city clerk and such city clerk shall serve a copy of such certificate upon the person or persons named in the petition as represent-

ing the signers thereof. When the petition contains a sufficient number of qualified signatures the city registrars shall forthwith file the same with the city clerk, and he shall transmit the same to the city council, which shall call an election as provided for in the three preceding sections of this act [this Charter]. All petitions filed in the city clerk's office shall be public records. When any petition contains a form of submission of the ordinance petitioned for and such form is a reasonably fair description thereof, the same shall be placed on the ballot and no petition filed subsequently shall be permitted to use any form of submission that is so similar to the one previously filed as to tend to confuse the voter, and, in case of such conflict, the person presenting the subsequent petition may file a form of submission which shall be placed upon the ballot, provided, the same shall fairly describe the ordinance, or amendment to an ordinance, petitioned for and shall not be in conflict with any prior forms of submission or tend to confuse the voter.

The city council shall so frame all forms of submission that the voter can, by making a cross in a square in front of some appropriate words, vote either for the ratification or the rejection of the proposed measure, but no ballot shall be rejected from which the reasonable intention of the voter however he shall have marked the same, can be ascertained. All city elections, regular or special, shall conform as nearly as possible to the election statutes contained in chapter 3 of the Code of West Virginia. (Acts 1929 (Muni. ch.), ch. 4, § 92.)

Sec. 93. Additional method for construction of sidewalks; assessment certificates.

In addition to the method of securing the laying of sidewalks set out in section 49 of this chapter [this Charter], the council of said city may cause any sidewalk to be constructed, laid, relaid, or otherwise permanently improved in the City of Charleston in the following manner and upon the following terms: Plans and specifications shall be prepared and filed, resolutions and ordinances shall be adopted and notices shall be prepared and served in the same way and manner as near as may be, as in the case of the paving and improvement of streets and alleys. The contract for same shall, after due advertisement in which council shall reserve the right to reject any and all bids, be let to the lowest responsible bidder and upon completion and acceptance of the work, council shall order the mayor and city clerk to issue to the contractor doing the work a certificate for the amount of the assessment to be paid by the owner of any lot or fractional part thereof fronting on such sidewalk, and the amount specified in said assessment certificate shall be a lien in the hands of the holder thereof upon the lot or part of a lot fronting on such sidewalk as well as a debt against the owner of said lot, and such certificate shall draw interest from the date of said assessment, and the payment may be enforced in the name of the holder of such certificate by a proper suit in equity in any court having proper jurisdiction to enforce such liens, and council shall fix the amount of such assessments and do all things in connection therewith necessary to make them valid and do all other things in connection therewith as is provided for paving or

improving streets and alleys and such certificates shall be issued one for each abutting lot or portion thereof payable six months from the date of the completion and acceptance of the work and shall be a lien in the hands of the holder thereof upon the particular lot against which they are assessed in the same way and manner that assessments for street paving are liens under the other provisions of the aforesaid act creating and amending the Charter of the City of Charleston: providing, however, that council shall not order any but concrete sidewalks; and, provided, further, that council shall not advertise for bids for any one letting of less than five thousand square feet; and, further, provided, that council shall not receive any bids or let any sidewalk contract between the first day of October and the first day of March of any year. Nothing in this section shall be so construed as to prevent any abutting lot owner from having his own sidewalk put in if done before the advertising hereinbefore mentioned and provided same is done according to the lines, grades and specifications of the city engineer, for which no charge shall be made. The total cost of constructing, laying, relaying, or otherwise permanently improving any sidewalk or walks shall be borne by the owners of the land abutting upon said sidewalk or sidewalks according to the following plan, that is to say, payment is to be made according to the proportion of square feet in front of any lot or portion thereof bears to the whole letting. The contract for sidewalks referred to in this section does not necessarily have to be one continuous sidewalk, but the five thousand square feet required for a letting as aforesaid may be made up of or composed of any number of sidewalks in any parts of the city. (Acts 1929 (Muni. ch.), ch. 4, § 93.)

Sec. 93-a. Transcript of property to be furnished by county assessor.

The county assessor shall furnish transcript of real and personal property on or about the tenth day of September of each year and his fee for same shall be not less than four hundred nor more than one thousand dollars for such work. (Acts 1929 (Muni. ch.), ch. 4, § 93-a.)

Editor's note.--See W. Va. Code, § 11-3-8, which provides that county assessors furnish to the clerk of every municipality in their respective counties a certified statement of the aggregate value of real and personal property not later than March 7th of each year.

Sec. 94. Authority to issue warrants; vacancy in office of municipal judge.

The municipal judge, mayor, city clerk, municipal court clerk, chief of police, or in the absence of the chief of police, the captains of police and lieutenants of police shall each have authority to issue warrants for all offenses committed within the police jurisdiction of the City of Charleston. Any vacancy in the office of municipal judge shall be filled by appointment by the mayor until the next election. (Acts 1929 (Muni. ch.), ch. 4, § 94.)

Sec. 95. Statement of claim before action against city for damages for personal injury.

No action shall be maintained against the City of Charleston for damages for a personal injury alleged to have been sustained by reason of the negligence of the city or of any officer, agent or employee thereof, unless a written verified statement of the nature of the claim and of the time and place at which such injury is alleged to have been received shall have been filed with the city clerk within thirty days after the cause of action shall have accrued. The cause of action shall be deemed to have accrued at the date of the sustaining of the injury, except that where death results therefrom the time for the personal representative to give notice shall run from the date of death. An action at law for damages for personal injuries or death shall not be commenced until the expiration of thirty days after the filing of the notice as provided in this section. (Acts 1929 (Muni. ch.), ch. 4, § 95.)

For a case holding that this section imposes a condition precedent to the right of the claimant to sue the city, and in the absence of allegation and proof that its provisions have been complied with, the omission may be taken advantage of after the verdict, see Thompson v. Charleston, 118 W. Va. 391, 191 S.E. 547 (1937).

Sec. 96. Health commissioner.

The health commissioner shall be a physician of good standing in his profession and may devote his time to city work alone. It shall be his duty to administer to all charity cases that he may, in his discretion, deem deserving. He shall, in conjunction with the city manager, have charge of the general health and sanitation of the city and it shall be his duty to carefully investigate all complaints and make a careful detailed report of all his official acts as health commissioner to the city manager and council at least once every month. He shall be appointed in the way and manner provided in the Charter of the City of Charleston and shall receive such salary as council may by ordinance prescribe. Nothing herein, however, shall be construed as in any way affecting the police officers of the city relative to their powers and duties in regard to city sanitation contained and set forth elsewhere [see Char., § 85] in said Charter. (Acts 1929 (Muni. ch.), ch. 4, § 96.)

Editor's note.--In lieu of a city health commissioner and health department, the Kanawha-Charleston combined board of health now exercises their functions within the city, pursuant to an agreement between the city and the county court dated Oct. 18, 1956, a copy of which is on file in the office of the city clerk.

For state law as to combined city-county boards

of health, see W. Va. Code, § 16-2-3. As to local health officers generally, see W. Va. Code, §§ 16-2-1 through 16-2-5.

Sec. 97. Police matron.

It shall be the duty of the mayor to appoint a reputable woman who shall be known as police matron, and such police matron shall have all the qualifications and be subject to all the provisions of chapter 18 of the Acts of the Legislature of 1911 [now codified in W. Va. Code, § 8-14-4]. The council of the City of Charleston shall provide a reasonable salary not to exceed twelve hundred dollars therefor and do all of the things required by the council under the provisions of said chapter 18 of the Acts of the Legislature of 1911 and any amendments thereto. (Acts 1929 (Muni. ch.), ch. 4, § 97.)

Editor's note.--As of Sept. 30, 1974, the city was not operating a jail, and city prisoners were confined in the county jail, pursuant to an agreement with the county court. For that reason, the city does not have a police matron. For state law providing that, "notwithstanding any Charter provision to the contrary," the governing body of every municipality shall by ordinance fix the compensation of every municipal officer and employee; provided, that the salary of an officer shall not be increased or diminished during his term of office, see W. Va. Code, § 8-5-12.

Sec. 98. Codification of ordinances.

The city council shall cause any contract for the codifying and indexing of all the ordinances of the city to be fully completed, and such ordinances shall include all in force and effect up to the last day possible. Before such work is accepted by the council, it shall be completed in every respect and the council shall then cause it to be properly printed and securely bound in a permanent book. The council may by ordinance adopt the code to be prepared as a whole and when said ordinance adopting said code shall have been passed by the council, the said code shall be and become the law and ordinances of said city up to such time according to the tenor and effect thereof, and when printed in a book, the same shall be received as evidence as the ordinances of said city, unless errors or omissions be affirmatively shown therein, and no other publication thereof shall be made or required under the Charter, and the council shall cause all the ordinances of said city, either by printing a supplement thereof, to be brought up to date within a reasonable time after the printing of such ordinances, and in any event such supplement shall be printed, or, if necessary, a new copy of the ordinances shall be printed with-

in every four years, and the council shall cause a sufficient number of said books of the ordinances to be printed and to sell such number thereof as it may do so at such price as may be reasonable, and the number of books printed shall be fixed by the council. (Acts 1929 (Muni. ch.), ch. 4, § 98.)

For state law as to authority of city council to adopt a comprehensive code of ordinances, see W. Va. Code, § 8-11-4, subsec. (b).

Sec. 99. Cemeteries and burials.

It shall be the duty of the City of Charleston to provide suitable and proper places for the burial of the dead, which places may be in or out of the corporate limits of the said city. The city shall cause such places to be laid off into cemetery lots in a reasonable and proper way and shall sell said lots for a reasonable price, but it may take into consideration the location of each of such lots in fixing the prices thereof. The city council shall have all the powers and rights of condemnation of any real estate that it may wish for such purpose in the manner provided by law, and it may acquire by means of condemnation any real estate which has already been laid out as a cemetery by any person, association or corporation.

No burials of the bodies of deceased persons shall hereafter be permitted within the incorporated limits of the City of Charleston or within the space of one mile of such incorporated limits without the permission of said city shall be first had and obtained, and the City of Charleston, through its proper authorities, shall have power to pass all proper ordinances providing suitable penalties to carry out the powers here given said city.

No moneys received from the sale of lots in any cemetery so owned, or hereafter owned, by said city shall be used for any other purpose than the proper care and preparation of the ground, upkeep and expenses of said cemetery, the roads and ways to and through the same and for the purchase of additional property for cemetery purposes. (Acts 1929 (Muni. ch.), ch. 4, § 99.)

For state law as to authority of city council to acquire and maintain cemeteries and to regulate interments therein, see W. Va. Code, § 8-12-5, subsec. (42).

Sec. 100. Building inspector.

The building inspector shall be a competent person for the duties of his office and shall devote all his time to city work. He shall not be engaged or interested in the building business in any way or manner. The council shall by ordinance fix a proper salary for him. He shall see that the ordinances of

the city and laws of the state concerning buildings are enforced and perform such other duties as the manager or council may direct. (Acts 1929 (Muni. ch.), ch. 4, § 100.)

Sec. 101. Power to buy, sell or exchange real estate.

The council shall have power to buy, sell, or exchange any real estate found necessary or convenient, in the opening, construction, straightening, widening or otherwise altering of any street, alley or public way within the city, and by resolution and proper deed to convey to any person, firm or corporation any land used, or heretofore or hereafter used, for street or other public purpose, when in the judgment of the council such land shall no longer be needed for such public use. (Acts 1929 (Muni. ch.), ch. 4, § 101.)

Sec. 102. Zoning--Power of city.

For the purpose of promoting health, safety, morals, or the general welfare of the city and community, the council is hereby empowered to regulate and restrict the height, number of stories, and size of buildings and other structures, the percentage of lot that may be occupied, the size of yards, courts and other open spaces, the density of population, and the location and use of buildings, structures and land for trade, industry, residents or other purposes; provided, however, that any ordinance or by-laws enacted under the authority of this act [this Charter] shall exempt from the operation thereof any building or structure used or to be used by a public service corporation (not otherwise exempted) as to which proof shall be presented to the council of the City of Charleston provided for in this act, that the exemption of such building or structure is reasonably necessary to the convenience or welfare of the public. (Acts 1929 (Muni. ch.), ch. 4, § 102.)

For state law as to urban and rural planning and zoning generally, see W. Va. Code, ch. 8, art. 24. As to regional planning, see W. Va. Code, ch. 8, art. 25. For state law as to zoning authority of municipalities generally, see W. Va. Code, § 8-24-39.

For a case holding that the provisions of this section did not confer authority on the city to enact a building code or zoning ordinance which would be applicable to a building constructed by the state office building commission, created by chapter 43, Acts of the Legislature, 1939, on property purchased under the general appropriation act, contained in chapter 8, Acts of the Legislature, 1949, see Charleston v. Southeastern Con. Co., 134 W. Va. 666, 64 S.E.2d 676 (1950).

Sec. 102-a. Same--Division of city into zoning districts.

For any or all of said purposes the council may divide the city into districts of such number, shape and area as may be deemed best suited to carry out the purpose of this and the four succeeding sections, and within such districts it may regulate and restrict the erection, construction, alteration, repair or use of buildings, structures, or land. All such regulations shall be uniform for each class or kind of buildings throughout each district, but the regulations in one district may differ from those in other districts. (Acts 1929 (Muni. ch.), ch. 4, § 102-a.)

For state law as to zoning districts generally, see W. Va. Code, § 8-24-40.
For a case holding that the provisions of this section did not confer authority on the city to enact a building code or zoning ordinance which would be applicable to a building constructed by the state office building commission, created by chapter 43, Acts of the Legislature, 1939, on property purchased under the general appropriation act, contained in chapter 9, Acts of the Legislature, 1949. see Charleston v. Southeastern Con. Co., 134 W. Va. 666, 64 S.E.2d 676 (1950).

Sec. 102-b. Same--Design of zoning regulations; considerations in making.

Such regulations shall be made in accordance with a comprehensive plan, and designed to lessen congestion in the streets; to secure safety from fire, panic and other dangers; to promote health and the general welfare; to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population; or to facilitate the adequate provision of transportation, water, sewage, schools, parks, and other public requirements. Such regulations shall be made with reasonable consideration, among other things, to the character of the district and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout the city. (Acts 1929 (Muni. ch.), ch. 4, § 102-b.)

For state law as to municipal comprehensive plan, see W. Va. Code, § 8-24-16 et seq.
For a case holding that the provisions of this section did not confer authority on the city to enact a building code or zoning ordinance which would be applicable to a building constructed by the state office building commission, created by chapter 43, Acts of the Legislature, 1939, on property purchased under the general appropriation act, contained in chapter 9, Acts of the Legislature, see Charleston v. Southeastern Con. Co., 134 W. Va. 666, 64 S.E.2d 676 (1950).

Sec. 102-c. Same--Establishment, enforcement and change of zoning regulations and boundaries of zoning districts; hearing.

The council shall provide for the manner in which such regulations and restrictions and the boundaries of such districts shall be determined, established and enforced, and from time to time amended, supplemented or changed. However, when demanded by any party in interest, no such regulation, restriction or boundary shall become effective until after a public hearing in relation thereto, at which parties in interest and citizens shall have an opportunity to be heard. At least fifteen days' notice of the time and place of such hearing shall be published in at least two newspapers of general circulation, published in the City of Charleston. (Acts 1929 (Muni. ch.), ch. 4, § 102-c.)

For state law as to action by municipal governing bodies on zoning ordinances, notice and hearing thereon, etc., see W. Va. Code, § 8-24-44.

Sec. 102-d. Same--Change or repeal of zoning regulations and boundaries; protests.

Such regulations, restrictions and boundaries may from time to time be amended, supplemented, changed, modified or repealed. In case, however, of a protest against such change signed by the owners of twenty per cent or more either of the area of the lots included in such proposed change, or of those immediately adjacent in the rear thereof, extending one hundred feet therefrom, or of those directly opposite thereto, extending one hundred feet from the street frontage of such opposite lots, such amendment shall not become effective except by the favorable vote of three-fourths of all the members of council. The provisions of the previous section relative to public hearings and official notice shall apply to all changes or amendments. (Acts 1929 (Muni. ch.), ch. 4, § 102-d.)

For state law as to amending, supplementing or changing zoning ordinance rules and regulations, see W. Va. Code, § 8-24-45 et seq.

Sec. 102-e, ¶ 1. Same--Zoning commission.

In order to avail itself of the powers conferred by this act [this Charter], the council shall appoint a commission to be known as the zoning commission to recommend the boundaries of the various original districts and appropriate regulations to be enforced therein. Such commission shall make a preliminary report and hold public hearings thereon before submitting its final report, and such council shall not hold its public hearings or take action until it has received the final report of such commission. (Acts 1929 (Muni. ch.), ch. 4, § 102-e, ¶ 1.)

For state law as to municipal planning commissions, see W. Va. Code, § 8-24-1 et seq. As

to certain powers and duties of municipal planning commissions relating to zoning, see W. Va. Code, §§ 8-24-42 through 8-24-47.

Sec. 102-e. ¶ 2. Repeal of inconsistent laws.

All acts heretofore passed relating to or amendatory of the Charter of the City of Charleston, and all other acts or parts of acts, coming within the purview of this act and inconsistent herewith, are hereby repealed. (Acts 1929 (Muni. ch.), ch. 4, § 102-e, ¶ 2.)

Resolution No.675-01

Introduced in Council
January 16, 2001

Adopted by Council
January 16, 2001

Introduced by:
Y. Howard Quick, Jr.,
Beth Fouty-Young, and John Charnock

Referred to:

Resolution No. 675-01, "a Resolution amending and re-enacting Chapter Two - Administration; Rules of City Council, as adopted by Resolution No. 407-74, pursuant to Section 20 of the City Charter, and Chapter 2-27 (a) of the Code of the City of Charleston, by amending Rule No. 1. Time and place of meetings (a) by changing the time for regular public session meetings from 8:00 P.M. to 7:00 P.M.

Now Therefore: Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Council does hereby amend and re-enacts Chapter Two-Administration; Rules of City Council, as adopted by Resolution No. 407-74, pursuant to Section 20 of the City Charter, and Chapter 2-27 (a) of the Code of the City of Charleston by changing the time for regular public session meetings from 8:00 P.M. to 7:00 P.M.

RULES OF CITY COUNCIL

Rule No. 1. Time and place of meetings

(a) The city council shall meet in regular public session at the council chamber in the city building at ~~8:00~~ 7:00 P.M. on the first and third Mondays of each month.

(b) If the city council shall determine that the council chamber in the city building is not or will not, for any reason, be an appropriate place for the holding of a meeting, the council may, upon motion, designate another place open to the public within the city for the holding of such meeting.

Rule No. 2. Committees

(a) The city council shall have the following standing committees:

Committee on Finance
Committee on Ordinance and Rules
Committee on Planning
Committee on Fire, Police and Public Safety
Committee on Health and Sanitation

2B

Committee on Parks and Recreation
Committee on Streets and Traffic
Committee on Environment and Recycling
Committee on the Homeless
Committee on City Employees

(b) All standing committees shall consist of not less than three nor more than nine members unless the city council by resolution specifically provides other wise. All standing committees shall be appointed by the mayor, except the committee on city employees, whose members and chairman shall be appointed by the president, majority leader and minority leader of the council.

(c) In addition to the foregoing standing committees, the city council may authorize such select committees as may be provided by resolution.

Rule No. 3. <u>Filing of papers to be introduced at city council meetings, and action thereon by clerk of council</u>

In order to promote the orderly conduct of the business of the city council and the timely preparation of an accurate agenda, the following rules are hereby established:

(a) All bills, resolutions, petitions, committee reports, communications and other documents for consideration by the city council must be filed in the office of the clerk of the council not later than 12:00 noon on Friday immediately preceding the day of the meeting at which it is intended they be considered; provided, that this restriction shall not apply to the mayor or his designated deputy.

(b) Nothing herein shall be construed to prohibit any member of the city council, at the proper order of business, from introducing or submitting any bill, resolution, petition, committee report or communication during any regular meeting.

(c) The clerk of the council shall assign a serial number to each bill and resolution introduced and shall have authority to edit and correct them as to form.

(d) No bill or resolution shall be filed with the clerk of the council or introduced from the floor unless it bears the signature of at least one member of the city council as sponsor. Any member of the city council, for this purpose, may verbally authorize the clerk of the council or any of his deputies to sign his name thereto.

Rule No. 4. <u>Order of business at regular meetings; special order of business</u>

(a) The order of business for each regular meeting shall be:

(1) Roll Call
(2) To read, correct and approve of the minutes of previous meetings
(3) To receive and dispose of communications
(4) To receive and dispose of petitions
(5) To receive and dispose of resolutions
(6) To receive reports of standing committees and act thereon.
(7) To receive reports of select committees and act thereon.
(8) To receive reports of city officials
(9) Bills introduced and referred to the appropriate committees
(10) Unfinished business and miscellaneous matters
(11) Adjournment

(b) The presiding officer may order any question a special order of business irrespective of the order of business set forth in subsection (a).

Rule No. 5. Reading the Journal

Following the roll call, the journal of the proceedings of the previous meeting shall be read and any alterations or corrections may be submitted and entered of record. Upon motion, duly approved, reading of the journal of the preceding of the previous meeting may be dispensed with.

Rule No. 6. Draft of bills and resolution

(a) All bills and resolutions introduced in the city council shall be typewritten on one side only, on plain white paper, measuring eight inches by eleven and one-half inches, single spaced and in such form as prescribed by the clerk of the council.

(b) No bill may be introduced in the City Council proposing to amend any existing law unless the bill sets forth the section or sections to be amended in their entirety, and indicates (1) the language in existing law, if any, which the bill would eliminate by striking through such language and (2) any language which the bill would add to said section or sections by underlining all such additional language.

Rule No. 7. Procedures for enacting ordinances

A proposed ordinance shall be read by title at not less than two meetings of the city council with at least one week intervening between each meeting.

No proposed ordinance shall be materially amended at the same meeting at which finally adopted. No proposed amendment shall be construed as materially amending the proposed ordinance except by

order of the presiding officer either upon his own motion or that of any member of the city council.

The city council may enact an ordinance at the same meeting at which it is introduced in the case of a pressing public emergency in the event delay would endanger the public health, safety or morals. The nature of such emergency shall be set out in full in the proposed ordinance. No motion to suspend the rules shall be necessary or in order but any such proposed ordinance must be approved by an affirmative vote of two-thirds of the members elected to the city council except when otherwise provided in the Code of West Virginia.

Rule No. 8. <u>Reference of bills, resolutions, etc. to committees</u>

No bill, resolution, petition, communication or report may be divided among two or more committees although it contains subjects properly within the jurisdiction of several committees but must be referred to one committee in its entirety.

When the presiding officer is of the opinion that a bill, resolution, petition, communication or report should be considered by more than one committee, at the time of referring it he may direct that when the committee to which it is referred completes its consideration thereof and makes a recommendation with respect thereto, such bill, resolution, petition, communication or report shall be automatically referred to such other committee as directed by the presiding officer upon making the initial referral.

This provision shall not be construed as limiting the right of any member of the city council to move, or the presiding officer to order, the reference of any bill, resolution, petition, communication or report to another committee upon receipt of the report of the committee to which initially referred, or to recommit to the committee to which initially referred.

Rule No. 9. <u>Requests for action; making entries in the journal</u>

Requests for action made by a member of the city council shall not be reproduced in the journal nor forwarded to the person or persons designated by the presiding officer for action or attention unless such request is reduced to writing and filed with the clerk of the council prior to adjournment of the meeting at which such request is made.

No remarks, voting explanations or words spoken in debate by any member of the city council shall be reproduced in the journal except by unanimous consent of the members of the council present, upon motion by a member and unless a written copy thereof is delivered to the office of the clerk of the council by 12:00 noon of the following day.

The clerk of the council is authorized to condense and summarize any requests for action, remarks, vote explanations and words spoken in debate that are to be noted in the journal, but all writings filed with the clerk shall be kept and preserved as an appendix to the journal.

Rule No. 10. Reports of committees

All reports of committees shall be delivered to the clerk of the council for reading without comment, all statements or arguments to follow the reading thereof by the clerk.

Rule No. 11. Resolutions and motions to amend

All resolutions and motions to amend any motion, resolution or bill shall be reduced to writing and shall be read by the clerk of the council before being debated. Forms on which amendments are to be written shall be prescribed by the clerk of the council and made available to any member.

A member of the city council may move to reconsider the vote on any question during the meeting at which such question was voted upon or at the next regular meeting of council if he voted on the prevailing side or, irrespective of how he voted, if there was not a roll call vote.

The following motions shall be decided without debate and without amendment:

1. Motion to adjourn.
2. Motion to table.
3. Motion for the previous question.
4. Motion to recess.

Rule No. 12. Rules of debate

No question shall be debated until it has been propounded by the chair; and then the mover shall have the right to explain his view in preference to any other member and shall have the right to close the debate.

When two or more members of the city council arise at the same time, the presiding officer shall name the person to speak; but in all cases the member who shall first rise and address the chair shall speak first.

No one shall disturb or interrupt a member who is speaking, without his permission, except to call to order if he be transgressing the rules.

Rule No. 13. Call for a division of a question

Any member of the city council may call for a division of any question before a vote is taken thereon if it comprehends propositions in substance so distinct that, if one proposition be taken away, another substantive proposition remains for decision by the city council, but a member of the city council calling for a division of a question shall state in what manner the question shall be divided.

Rule No. 14. Use of a previous roll call

On any question, the roll call immediately next preceding may be used to record the vote of the city council upon motion by any member, provided such previous roll call was unanimous.

Rule No. 15. When a member abstains from voting

No member shall vote on any question before the city council if he is directly and immediately interested therein other than as a citizen of the city of Charleston; however, no member may abstain from voting without, prior to a vote being taken, having stated his reason for not voting and having obtained a ruling from the presiding officer excusing him from doing so.

Rule No. 16. Decisions on questions of order

The presiding officer shall decide all questions of order, subject to an appeal to the city council which shall be determined by a majority vote of those present and voting.

Rule No. 17. Presiding officer may relinquish chair

The presiding officer of the city council may call any member of the city council to the chair, who shall exercise its functions for the time being.

Rule No. 18. Demand of previous question

If the previous question be demanded by not less than three members, the presiding officer shall, without debate, put the question: "Shall the main question be now put?" If this question be decided in the affirmative, all further debate shall cease and the vote be at once taken on the proposition pending before the city council. When the council refuses to order the main question, the consideration of the subject shall be resumed as if the previous question had not been demanded.

Rule No. 19. Rescission, amendment and suspension of rules

(a) No standing order or rule of the city council shall be rescinded or amended except by a majority vote of the members elected to the city council.

(b) No rule of the city council shall be suspended in any case except by unanimous consent of the council members present, provided, that no rule shall be suspended if compliance therewith is made mandatory by state law, the city charter or an ordinance of the city of Charleston.

Rule No. 20. Calling for a division of city council

The presiding officer may in case of doubt and shall upon the request of any member call for a division of the city council on any vote by requiring first those voting in the affirmative to stand and then those voting in the negative to stand.

Rule No. 21. Parliamentary rules of order

The rules of parliamentary usage comprised in the manual known as "Manual of Legislative Procedure" by Paul Mason shall govern the city council in all cases no provided for by the rules of city council, city charter and state law. In any case not governed by said manual, said rules, city charter or state law, the city council shall be governed by the practice in the House of Delegates of the State of West Virginia.

A copy of said manual shall remain on file in the Office of the clerk of the City Council.

Rule No. 22. Members of the Public speaking before City Council

(a) A Member of Council may ask the floor for a member of the public to speak before Council, which said motion is nondebatable. Upon such request, the presiding officer shall inquire of the Council member the subject matter of the inquiry and ask Council if there is any objection to the person speaking, and, if an objection is raised, then Council, by majority vote, shall determine whether or not the person shall be allowed to address council. Any person addressing Council shall be allowed no more than five minutes to address his remarks, unless by unanimous consent, council allows a longer period of time.

(b) A maximum of ten minutes shall be set aside at the outset of each meeting of the council to permit members of the public, without leave of council, to address the council on any matter pertaining to the city's business. Any member of the public wishing to address the council shall first register with the clerk of the city council, or his designated representative for such purpose, in the council's chambers not earlier than 15 minutes before the beginning of each meeting setting forth his or her name, the group, if any, on whose behalf he or she wishes to speak, and the subject matter which he or she wishes to address. If more than one person registers to address council, such persons shall be allocated time on a pro-rated basis, and shall be permitted to speak only for the time allotted. In no event shall more than five

people be permitted to address the council under this Rule 22 (b). Nothing in this Rule 22 (b) shall affect the ability of a member of council to request that a member of the public be allowed to speak pursuant to Rule 22(a).

Rule No. 23. Vacancy in Office of Councilmember

Whenever a vacancy occurs in the Office of Councilmember, whether in a Ward or At-Large, for any reason prior to the expiration of said Office of Councilmember's legally scheduled term of office, the vacancy shall be filled by a member of the same political party as the Councilmember who has vacated said seat. Provided, That: this provision shall not be required to apply when a vacancy occurs in the Office of Councilmember, whether in a Ward or At-Large, as a result of a recall election as prescribed by law.

By Mr. Crawford:

Bill No. 1486--A Bill to amend and reenact section one, article twenty-three, Streets and Public Services Law, Code of the City of Charleston, West Virginia, one thousand nine hundred fifty-seven, as amended, appointing two members to the Sanitary Board as provided by chapter sixteen, article thirteen, section eighteen, Code of West Virginia, one thousand nine hundred thirty-one, as amended.

Be it Ordained by the Council of the City of Charleston, West Virginia:

1. Section one, article twenty-three, Streets and Public Services Law, Code of the City of Charleston, West Virginia, one thousand nine hundred fifty-seven, as amended, be amended and reenacted to read as follows:

Section 1. Sanitary Board created; membership; terms.

There is hereby created and appointed the Sanitary Board of the City of Charleston consisting of the Mayor and two persons appointed by the governing body of the municipality. Said appointments shall be made by ordinance and members shall serve for a term of three years. The Mayor shall act as chairman of the board.

2. L. M. Milstead, Jr. is hereby appointed as a member of the Sanitary Board for the term expiring the sixteenth day of March, one thousand nine hundred seventy-five.

John D. Smallridge is hereby appointed as a member of the Sanitary Board for the term expiring the sixteenth day of March, one thousand nine hundred seventy-six.

3. The City Council hereby finds that it is a matter of urgent concern and a pressing public emergency requiring immediate action to update the Code of the City of Charleston to be in compliance with the Code of West Virginia.

The question being on the passage of the bill, a roll call was taken and there were--yeas 24, nays none and absent one, as follows:

YEAS: Barnett, Bennett, Bird, Brawley, Carp, Copenhaver, Crawford, Cummings, Duncan, Flint, Hall, Hunt, Kennedy, Layne, Matthews, Nuzum, O'Connor, Preston, Quick, Sheets, Silverstein, Smith, Vanderwilt and Mayor Hutchinson.

NAYS: None.

ABSENT: Mullins.

So, all members present and voting having voted in the affirmative, the Mayor declared the bill (No. 1486) unanimously passed.

(The provisions of section eleven, article four (d), chapter eight of the Code of West Virginia, one thousand nine hundred thirty-one, as amended, requiring the affirmative vote of two-thirds of the members elected to the Council to pass a bill in the case of a pressing public emergency is satisfied.)

Sec. 25-23. Obstruction.

No person shall obstruct, impede or cause to be impeded or obstructed the flow of any public sewer, nor interfere with the free discharge or ventilation thereof, nor clog up such sewer or any appurtenance thereof. (Code 1957, pt. 9, art. 25, § 8.)

Sec. 25-24. License required to engage in business of laying or constructing sewers or drainways.

It shall be unlawful for any person to engage in the business of laying or constructing sewers or drainways in, under or upon any of the streets, sidewalks or public highways of the city without having first annually secured from the sanitary board a license therefor, paying for such license the sum of twenty five dollars.

No such license shall be issued until the sanitary board is satisfied of the reliability and capacity of the applicant to do and perform in a good and workmanlike manner the particular form, class or kind of work that shall be specified in the application for license for any or all of the purposes set forth in this section, and until the applicant shall also have given any bond required by any other ordinance of the city in relation to such matters. (Code 1957, pt. 9, art. 1, § 3.)

Article II. Sanitary Board.

For a case holding that the ordinance codified in this article is valid and constitutional, and that a contract between the sanitary board created by such ordinance and a construction company in furtherance of the provisions of the ordinance was valid, see West Va. Water Service Co. v. Cunningham, 143 W. Va. 1, 98 S.E. 2d 891 (1957).

As to sewerage service charges when water from commercial wells is discharged from premises into city sewers, see § 32-30 of this Code.

Sec. 25-25. Created: powers and duties: composition: appointment and term of members.

There is hereby created in and for the city a sanitary board, which shall be charged with the custody, supervision, control, administration, operation and maintenance of the municipal sewage system, all as permitted and provided by article 13 of chapter 16 of the Code of West Virginia. The sanitary board shall be composed of the mayor and two persons appointed by the city council, one of whom shall be a registered professional engineer; provided, that when

no city sewer is under construction a registered professional engineer need not be a member of the board. The two appointed members of the board shall each serve for a term of three years and until his successor is duly appointed and has qualified, and vacancies shall be filled for the unexpired term only. (Code 1957, pt. 9, art. 23, §§ 1, 2; Ord. No. 1486, 11-19-73, § 1.)

Editor's note.--Original appointments were made pursuant to the ordinance here codified at such time and for such terms that one vacancy for an appointed member occurs March 16, 1973 and every three years thereafter, and one such vacancy occurs March 16, 1976 and every three years thereafter.

For state law basis of this section, see W. Va. Code, § 16-13-18.

Sec. 25-26. Officers: salaries: bond of treasurer.

The sanitary board shall elect a vice chairman from its members and shall designate a secretary and treasurer (who may be one and the same person) who need not be members of the board and who shall hold office at the will of the board.

Each member of the board, other than the mayor, shall receive such salary as may be provided from time to time by the city council and shall be entitled to payment for his reasonable expenses incurred in the performance of his duties.

The secretary and treasurer shall be paid such reasonable compensation for services as from time to time may be fixed by the city council, and the treasurer shall give bond, with qualified corporate surety, in the amount of five thousand dollars or such other amount as the council may require, conditioned for the proper application of all moneys received by him as such and for the faithful performance of the duties of his office.

All compensation, and all expense, incurred by the sanitary board, its officers and employees, shall be paid solely from funds authorized to be collected and received by the board as provided by article 13, chapter 16 of the Code of West Virginia. (Code 1957, pt. 9, art. 23, § 3.)

For state law basis of this section, see W. Va. Code, § 16-13-18.

Sec. 25-27. Powers and duties.

(a) The construction, acquisition, improvement, equipment, custody, operation, maintenance and administration of all works for the collection, treatment or disposal of sewage within the city and in such other areas as may be

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Jay Goldman, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Mayor, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

(signature)

Subscribed and sworn to before me the undersigned authority, this 22nd day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17th day of April, and year of 2006.

OFFICER'S OATH

(Sec. 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, James M. Reishman, WHO HAVE BEEN DULY APPOINTED TO THE OFFICE

OF City Clerk OF THE CITY OF CHARLESTON. WEST VIRGINIA. DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGQE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Subscribed and sworn to before me the undersigned authority, this 22nd day of June, 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
Melissa G. Hughes
Office of City Clerk
P. O. Box 2749
Charleston, WV 25330
My Commission Expires February 3, 2009

Melissa G. Hughes

Notary Public in and for Kanawha County

My commission expires on the 3 day of February, 1999.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Patrick Jones, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 1, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Bobby Haas, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 2, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Bobby Haas
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, James Lanham, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 3, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

James E. Lanham
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2008

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Kenneth McKnight, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 4, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Kenneth E McKnight
(Signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, David D. Molgaard, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 5, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Edward Talkington, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 6, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Edward Talkington
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Henry Knauff, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 7, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Henry a Knauff
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Fred Pettry, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council Ward 8, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Fred Pettry
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Betty Morton, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 9, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Betty Morton
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17th day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Sara M. Crickenberger, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 10, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Sara M. Crickenberger
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Ryan Henry, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Ward II Council FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Ryan Henry
(signature)

Subscribed and sworn to before me the undersigned authority, this 6th day of November, year 2000.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
Melissa G Hughes
Office of City Clerk
P. O Box 2749
Charleston, WV 25330
My Commission Expires February 3, 2009

Melissa G. Hughes
Notary Public in and for the State of West Virginia

My commission expires on the 3rd day of February, and year of 2009.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Jim Harris Jr., WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 12, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

James I. Harris Jr.
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the ~~22~~ 17th day of ~~June~~ April, and year of 2004.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Linda Nielsen, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 13, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Linda Nielsen
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Larry Roller, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council Ward 14, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Larry L Roller
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1995.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, John Charnock, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 15, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

John Charnock
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Notary Public in and for the State of West Virginia

My commission expires on the 17th day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Robert Reishman, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council Ward 16, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Donna Prunty, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council Ward 17, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Donna Prunty
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, William "Bill" Kimberling, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council for Ward 18, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

William R. Kimberling
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Ditty Markham, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council Ward 19, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Deatra L Markham
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, David Lanham, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF WARD 20 COUNCILMEMBER, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

David W. Lanham
(signature)

Subscribed and sworn to before me the undersigned authority, this 20 day of February, year 2001.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA J. LUCAS
OFFICE OF CITY CLERK
RM 301, CITY HALL, P. O. BOX 2749
CHARLESTON, WV 25530
My commission expires April 17, 2006

Cynthia J. Lucas
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Mary Jane Lopez, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council At-Large, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Mary Jane Lopez
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Tom Lane, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council At-Large, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
RITA K. SILMAN
800 QUARRIER STREET
CHARLESTON, WV 25301
My Commission Expires August 9, 2005

Rita K. Silman
Notary Public in and for the State of West Virginia

My commission expires on the 9th day of August, and year of 2005.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Y. Howard Quick, Jr., WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council At-Large, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Y. Howard Quick Jr.
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Mary Jean Davis, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council At-Large, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Mary Jean Davis
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Beth Fouty Young, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council At-Large, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

OFFICER'S OATH

(Section 24. City Charter)

_____

_____

The State of West Virginia, City of Charleston, County of Kanawha, to wit:

I, Charlie Loeb, WHO HAVE BEEN DULY ELECTED TO THE OFFICE OF Council At-Large, FOR THE CITY OF CHARLESTON, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF SAID OFFICE, DURING MY CONTINUANCE THEREIN, TO THE BEST OF MY SKILL AND JUDGEMENT; AND THAT I WILL NOT, IN ANY WAY, OR MANNER, BECOME PECUNIARILY INTERESTED DIRECTLY OR INDIRECTLY IN ANY CONTRACT WITH THE CITY, IN ANY FRANCHISE GRANTED BY IT, OR IN THE PURCHASE OF SUPPLIES THEREFOR, SO HELP ME GOD.

Charles W. Loeb Jr.
(signature)

Subscribed and sworn to before me the undersigned authority, this 22 day of June, year 1999.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CYNTHIA L. CROWDER
Office of City Clerk
Rm. 301, City Hall, P.O. Box 2749
Charleston, WV 25330
My Commission Expires April 17, 2006

Cynthia L. Crowder
Notary Public in and for the State of West Virginia

My commission expires on the 17 day of April, and year of 2006.

CERTIFICATE OF AUTHENTICITY

I, the undersigned City Clerk of the City of Charleston, do hereby certify that the foregoing is a true, correct and complete copy of Ordinance No. 6777, enacted by the Charleston City Council on March 19, 2001.

Witness the signature of the undersigned City Clerk of the City of Charleston, West Virginia, and the seal of said City, this 22 day of May, 2001.

James M. Reishman, City Clerk

Bill No. 6777

Ordinance No. 6777

Introduced in Council:

March 5, 2001

Referred to:

Council Committee on Finance

Introduced by:

Larry Rollins

Passed by Council:

March 19, 2001

A Bill supplementing Ordinance No. 4828 passed by the Council of The City of Charleston, West Virginia, on April 20, 1992, as supplemented by Ordinances No. 4954, No. 6276, No. 6349, No. 6532, No. 6544 and No. 6670, which authorized the acquisition and construction of certain extensions, additions, betterments and improvements to the sewerage system of The City of Charleston; authorizing the merger of the assets of the Guthrie Public Service District into the sewerage system of the City; authorizing the assumption of certain debt of the Guthrie Public Service District; authorizing the issuance of not more than $855,000 in aggregate principal amount of Sewerage System Revenue Bonds, in two or more series as may be required, of said The City of Charleston to be used, along with other funds and moneys of, or available to, The City of Charleston which may be lawfully expended for such purposes, to evidence the assumption of said debt; providing for the rights and remedies of and security for the holders of such bonds; and adopting other provisions related thereto.

Be It Ordained by the Council of The City of Charleston, West Virginia, as Follows:

ARTICLE I

STATUTORY AUTHORITY, DEFINITIONS AND FINDINGS

Section 1.01. Authority for this Ordinance. This Ordinance is enacted pursuant to the provisions of Chapter 16, Article 13, of the Code of West Virginia, 1931, as amended (the "Act"), and other applicable provisions of law, and as a supplement to Ordinance No. 4828, passed by the Council of The City of Charleston (the "Council") on the 20th day of April, 1992, as supplemented by Ordinance No. 4954, passed by the Council on May 3, 1993, as supplemented by Ordinance No. 6276, passed by the Council on September 3, 1996, as supplemented by Ordinance No. 6349, passed by the Council on June 2, 1997, as supplemented by Ordinance No. 6532 passed by the Council on November 16, 1998, as supplemented by Ordinance No. 6544 passed by the Council on

February 1, 1999, and as supplemented by Ordinance No. 6670 passed by the Council on February 20, 2001.

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

A. The City of Charleston, West Virginia (the "City") now owns a sewerage system (the "System"), both within and without the corporate limits of the City, consisting of a sewage treatment plant and a composting facility and its collecting, intercepting and outlet sewers, lateral sewers, drains, force mains, conduits, pumping stations and all other appurtenances, extensions, improvements and betterments necessary, appropriate, useful, convenient or incidental for the collection, treatment and disposal in a sanitary manner of sanitary sewage and industrial wastes.

B. In accordance with Section 2 of the Act, the System is under the supervision and control of the Sanitary Board of the City (the "Sanitary Board").

C. Guthrie Public Service District (the "District") is a public service district created pursuant to Chapter 16, Article 13A of the West Virginia Code, 1931, as amended (the "Code") and currently provides sewer collection service to approximately 359 customers. The City treats sewerage from the District pursuant to an agreement entered into in 1999 and the Sanitary Board maintains lines, performs billing and collection services, prepares financial statements and many other functions.

D. The City and the District signed an agreement dated April 13, 1999, concerning the proposed merger providing that the City will take possession of all the property and assets of the District, the City will assume all of the legal and financial obligations of the District and the customers served by the District will become customers to be served by the City.

E. On January 25, 2000, the District and the City jointly petitioned the Public Service Commission of West Virginia (the "Commission") for permission to merge the District's system into the City's System, thereby lowering the rates paid by the District's customers, including the surcharge, as hereinafter defined.

F. The Commission approved the merger by an order dated January 2, 2001 in Case No. 00-0152-PSD-PC (the "Order").

G. The acquisition and construction of the System were financed or refinanced in part by the proceeds of prior bond and note issues of the City, including The City of Charleston's outstanding $1,912,194 Sewer Revenue Bonds, Series 1989A (the "1989A Bonds"), the $829,856 Sewer Revenue Bonds, Series 1989C (the "1989C Bonds"), the $2,955,000 Sewerage System Refunding Revenue Bonds, Series 1992A (the "1992A Bonds"), the $6,670,000 Sewerage System Refunding and Improvement Revenue Bonds, Series 1992B (the "1992B Bonds"), the $773,237 Sewerage System Revenue Bonds, 1993

Series A (the "1993A Bonds"), the $2,671,058 Sewerage System Revenue Bonds, Series 1996 A (the "1996A Bonds"), the $395,299 The City of Charleston Sewerage System Revenue Bonds, Series 1996 B (the "1996B Bonds"), the $732,688 Sewerage System Revenue Bonds, Series 1997 A (the "1997A Bonds"), the $5,237,584 Sewerage System Revenue Bonds, Series 1997 B (the "1997B Bonds"), the $994,537 Sewerage System Revenue Bonds, 1998 Series A (the "1998A Bonds"), the $686,229 Sewerage System Revenue Bonds, 1999 Series A (the "1999 Series A Bonds"), and the $1,111,357 Sewerage System Revenue Bonds, 2001 Series A (the "2001A Bonds," and collectively with the above-referenced bonds, the "First Lien Bonds"), and $283,458 Supplemental Sewer Revenue Bonds, Series 1989B (the "Supplemental 1989B Bonds"), the $123,015 Supplemental Sewer Revenue Bonds, Series 1989D (the "Supplemental 1989D Bonds") and the $132,072 Sewerage System Revenue Bonds, 1999 Series B (the "Supplemental 1999 B Bond," and collectively with the above-referenced Bonds, the "Second Lien Bonds"), which Second Lien Bonds are subordinate and junior to the First Lien Bonds. The First Lien Bonds and the Second Lien Bonds are sometimes hereinafter referred to as the "Prior Bonds" or "Prior Debt". The Prior Bonds are equally and ratably secured under the provisions of Ordinance No. 4828 passed by Council of the City on April 20, 1992, as supplemented by Ordinance No. 4954 passed by Council on May 3, 1993, as supplemented by Ordinance No. 6276 passed by the Council on September 3, 1996, as supplemented by Ordinance No. 6349, passed by the Council on June 2, 1997, as supplemented by Ordinance No. 6532, passed by the Council on November 16, 1998, as supplemented by Ordinance No. 6544 passed by the Council on February 1, 1999, and as supplemented by Ordinance No. 6670 passed by the Council on February 20, 2001 (collectively, the "Prior Ordinance"), which amended and superseded several prior ordinances of the City relating to the System and the issuance of bonds and notes to finance the acquisition and construction of portions of the System. The Second Lien Bonds are subordinate and junior as to lien and sources of payment to the Prior Bonds.

H. The First Lien Bonds are currently outstanding in the approximate aggregate principal amount of $21,689,545 and the Second Lien Bonds are currently outstanding in the approximate aggregate principal amount of $440,027.

I. The acquisition and construction of the District's system were financed in part by the proceeds of the District's Guthrie Public Service District Sewer Revenue Bonds, Series 1990 A in the principal amount of $878,695 (the "Series 1990 A Bonds") and the Guthrie Public Service District Sewer Revenue Bonds, Series 1990 B (the "Series 1990 B Bonds") in the principal amount of $41,005 (collectively, the "District Bonds"). The Series 1990 B Bonds were issued subordinate and junior as to lien and source of payment to the Series 1990 A Bonds. The District sold the Bonds to the West Virginia Water Development Authority (the "Authority"). The Authority through correspondence with the Commission has stated that it will permit the City's assumption of the District's Bonds on parity with the City's First Lien Bonds and the Second Lien Bonds.

J. The City derives revenues from the System, and, except for the pledges thereof to secure and pay the Prior Debt, said revenues are not pledged or encumbered in any manner.

K. It is necessary and essential to acquire the assets of the District and to assume the District's outstanding debt in order to preserve the public health, to be financed through the issuance of bonds pursuant to this Ordinance, in one or more series (collectively referred to as the "2001 Bonds") in an aggregate principal amount not to exceed $855,000.

L. The estimated revenues to be derived in each year after the enactment of this Ordinance from the operation of said System, after the merger, will be sufficient to pay all the costs of the operation and maintenance of said System, the principal of and interest on the Prior Debt and the 2001 Bonds authorized to be issued pursuant to this Ordinance and all sinking fund, reserve account and other payments provided for in this Ordinance or the Prior Ordinance.

M. The 2001 Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the form set forth in Exhibit A attached hereto and incorporated herein by reference with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance or a Supplemental Resolution or as deemed necessary by the Registrar or the City.

N. All things necessary to make the 2001 Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the City according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the 2001 Bonds, will be timely done and duly performed.

O. The enactment of this Ordinance, and the execution and issuance of the 2001 Bonds, subject to the terms thereof, will not result in any breach of, nor constitute a default under, any instrument to which the City is a party or by which it may be bound or affected.

P. The City 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 2001 Bonds are to be used for local government activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City).

Q. It is deemed necessary for the City to issue its 2001 Bonds in the aggregate principal amount of not more than $855,000 to evidence the assumption of the District's Bonds, said 2001 Bonds to be issued simultaneously with the completion of the merger.

R. It is in the best interests of the City that its 2001 Bonds be delivered to the West Virginia Water Development Authority in exchange for the District's Bonds.

S. The Commission has approved a surcharge of $1.75 per thousand gallons, subject to change, as provided in the Order, for the customers of the District to be charged until the District's outstanding bond debt is retired. The reserve funds for the Series 1990 A Bonds and Series 1990 B Bonds, respectively, are funded at the level required therefor and will be transferred to the 2001 Bonds as part of the merger.

T. The revenues of the System of the City after the merger, together with the surcharge, will be sufficient to pay all the costs of the operation and maintenance of said System and the debt service on the Prior Debt and the 2001 Bonds.

U. Prior to the merger, the City shall receive a certificate from an independent certified public accountant that the City will meet the coverage requirement established in the Prior Ordinance. The 2001 B Bonds in an amount not more than $823,741, which replace the District's Series 1990 A Bonds, shall be issued with a lien on the Net Revenues on a parity with the lien held by the registered owners of the First Lien Bonds, and the lien of such 2001 B Bonds shall be senior and superior to the lien of the registered owners of the Second Lien Bonds and the 2001 C Bonds. The lien of the 2001 C Bonds in an amount not more than $30,492, which replace the District's Series 1990 B Bonds, will be on parity with the Second Lien Bonds and junior and subordinate to the First Lien Bonds and the 2001 B Bonds.

V. It is in the best interests of the City and the District for the City to acquire the District's assets by merger.

W. The City will not permit, at any time, any of the proceeds of the 2001 Bonds or any other funds of the City 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 Code.

Section 1.03. Ordinance Constitutes Contract. In consideration of the acceptance of the 2001 Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the City and such Bondholders, and the covenants and agreements herein set forth to be performed by said City shall be for the equal benefit, protection and security of the legal holders of any and all of such 2001 Bonds issued hereunder, all of which shall be of equal rank and without preference, priority or distinction between any one 2001 Bond and any other 2001 Bonds by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. Except as provided below, terms used in this Supplemental Ordinance have the meanings set forth in the Prior Ordinance, as supplemented by this Supplemental Ordinance, unless the context expressly requires otherwise.

"Bondholder" or "Owner of the 2001 Bonds" or "Registered Owner" or any similar term shall mean any person who shall be the registered owner of any Outstanding Bond as hereinafter defined.

"Closing Date" shall mean the date or dates upon which the acquisition by merger of the assets of Guthrie Public Service District by The City of Charleston is complete.

"Code" shall mean the Internal Revenue Code of 1986, as amended, including the rules and regulations promulgated pursuant thereto or any predecessors or successors thereto.

"Debt Service" shall mean the scheduled amount of interest and amortization of principal payable on the 2001 Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"2001 Bonds" or "Bonds originally authorized hereby" or similar phrases shall mean the not more than $855,000 in aggregate principal amount of Sewerage System Revenue Bonds issued in one or more series for the purpose of assuming the District's Bonds and for such other purposes permitted hereby and authorized by a resolution supplemental hereto.

"Outstanding" when used with reference to 2001 Bonds, as of any particular date, describes all such 2001 Bonds theretofore and thereupon being authenticated and delivered except (i) any such 2001 Bond cancelled by the Registrar, at or prior to said date; (ii) any such 2001 Bond for the payment of which moneys, equal to its principal amount, with interest to the date of maturity of any such 2001 Bond, shall be in trust hereunder and set aside for such payment (whether upon or prior to maturity); (iii) any such 2001 Bond deemed to have been paid as provided in Article X of the Prior Ordinance; and (iv) for purposes of consents or other action by a specified percentage of Bondholders, any such 2001 Bond registered to the City.

"Registrar" shall mean the entity named as such in the Supplemental Resolution.

"Supplemental Ordinance" or "this Ordinance" shall mean this ordinance as hereafter amended or supplemented.

"Supplemental Resolution" shall mean any resolution, ordinance or order of the City supplementing or amending this Ordinance and, when preceded by the article "the", refers specifically to the supplemental resolutions authorizing the sale of one or more series of the 2001 Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the 2001 Bonds and not so included may be included in another Supplemental Resolution.

"System" shall mean the complete existing sewerage system now owned by the City and managed by the Sanitary Board, consisting of a sewerage treatment and collection system, and shall include any extensions, additions, betterments and improvements thereto, including the wastewater treatment facility, hereafter acquired or constructed for said sewerage system from any sources whatsoever, both within and without said City, including after the merger, the assets of the District.

Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations. Words importing the masculine gender include all other genders.

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

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

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

ARTICLE II

AUTHORIZATION OF ACQUISITION OF GUTHRIE PUBLIC SERVICE DISTRICT

Section 2.01. Authorization of Acquisition and Assumption. The acquisition by merger of the assets of the District and assumption of the District's Bonds by the issuance of the 2001 Bonds by the City is hereby authorized.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF 2001 Bonds

Section 3.01. Authorization and Terms of 2001 Bonds. For the purpose of assuming the District's Bonds, there shall be issued the 2001 Bonds of the City. The 2001 Bonds shall be issued in two or more series with the first series to be designated 2001 Series B, the second series as 2001 Series C, and so on, of "Sewerage System Revenue Bonds" in an aggregate principal amount of not more than $855,000. Each series of 2001 Bonds shall be dated as of the date of delivery of each series thereof, shall bear such interest not to exceed the legal interest rate (12%), shall mature at such times, not to exceed forty years, and

in such amount as shall be set out in the Supplemental Resolution. The repayment of principal and interest, if any, on each series of 2001 Bonds shall be as set forth on Schedule X to the District's Loan Agreement and the District's Supplemental Loan Agreement (collectively, the "District Loan Agreements"). The 2001 Bonds shall contain such other terms, provisions, conditions and limitations, all as provided by this Ordinance and as the Council of the City shall prescribe by resolution (or by supplemental or amendatory ordinance of said Council as said Council shall determine) adopted in connection with the delivery of such 2001 Bonds.

The 2001 Bonds shall be payable as to principal at the principal 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 2001 Bonds shall be paid by check or draft mailed to the registered owner thereof at the address as it appears on the books of the Bond Registrar, provided, that so long as the Authority is the owner thereof, interest on the 2001 Bonds may be paid by wire transfer or other methods satisfactory to the City, the Paying Agent and the Authority.

Unless otherwise provided by the Supplemental Resolution, the 2001 Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a record of advances and a payment record attached, representing the aggregate principal amount, and shall mature in principal installments, all as provided in the District Loan Agreements and said Supplemental Resolution. The 2001 Bonds shall be exchangeable at the option and expense of the Bondholder for other fully registered 2001 Bonds in aggregate principal amount equal to the amount of said 2001 Bonds then Outstanding, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said 2001 Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Section 3.02. Execution of Bonds. Said Bonds shall be executed in the name of the City by the Mayor and attested by the Recorder, and the seal of the City shall be affixed thereto or imprinted thereon. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the City before the Bonds so signed and sealed have been sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the City by such person as, at the actual time of the execution of such Bonds, shall hold the proper office in the City, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.08, shall have been duly manually executed by the Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under

this Ordinance. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Registrar if manually signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.04. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the 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 owner, in accepting any of said 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 owner shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value in the manner provided hereinafter in the form of said Bonds.

So long as any of the 2001 Bonds remain Outstanding, the City, through the Registrar, shall keep and maintain books for the registration and transfer of the Bonds.

The 2001 Bonds shall be transferable only upon the books of the Registrar, by the registered Owner thereof in person or by the Owner's attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered Owner or the Owner's duly authorized attorney.

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

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the City may, in its discretion, issue and deliver a new Bond 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 Owner's furnishing the City proof of ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the City may prescribe and paying such expenses as the City may incur and the Registrar shall authenticate the new Bond. All Bonds so surrendered shall be canceled by the Registrar and held for the account of the City. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the City may pay the same, upon being

indemnified as aforesaid, and, if such Bond be lost, stolen, or destroyed, without surrender therefor.

Any such duplicate Bonds issued pursuant to this Section shall constitute original, additional contractual obligations on the part of the City, whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source of security for payment from the revenues pledged herein with all other Bonds issued hereunder.

Section 3.06. Bonds not to be Indebtedness of the City. The 2001 Bonds shall not, in any event, be or constitute an indebtedness of the City 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 on parity with the First Lien Bonds but senior and superior to the Second Lien Bonds or on a parity with the Second Lien Bonds but junior and subordinate to the First Lien Bonds, as the case may be. No Owner or Owners of any of the Bonds shall ever have the right to compel the exercise of the taxing power of the City to pay the Bonds or any interest thereon.

Section 3.07. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the 2001 B Bonds, issued to assume the District's Series 1990 A Bonds, shall be secured forthwith by a first lien on the Net Revenues derived from the System on parity with the First Lien Bonds but senior and superior to the Second Lien Bonds and the 2001 C Bonds. The 2001 C Bonds issued to assume the District's Series 1990 B Bonds shall be on parity with the Second Lien Bonds and junior and subordinate to the First Lien Bonds and the 2001 B Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the 2001 Bonds and the Prior Debt and to make the payments into the sinking funds and the reserve accounts therein and in the Renewal and Replacement Fund established herein or in the Prior Ordinance are hereby irrevocably pledged to the payment of the principal of and any interest on the 2001 Bonds and the Prior Debt as the same become due.

Section 3.08. Form of 2001 Bonds. The text of the 2001 Bonds shall be of substantially as set forth in Exhibit A, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Ordinance or any subsequent resolution or ordinance adopted or enacted prior to the issuance thereof.

Section 3.09. Delivery of 2001 Bonds. Each series of 2001 Bonds shall be issued to the Authority in exchange for the District's Bonds.

Section 3.10. 2001 Bonds are Issued as Parity Bonds. The 2001 Bonds are issued as and shall constitute additional Parity Bonds in accordance with Section 6.08 of the Prior Ordinance. Prior to the issuance of the 2001 Bonds, the following must occur:

A. The City must receive the written approval of the Authority for the issuance of the 2001 Bonds.

B. The conditions of Section 6.08 of the Prior Ordinance must be satisfied.

C. The redesignation by the Commission of the reserve funds for the Series 1990 A Bonds and Series 1990 B Bonds.

D. The 2001 Bonds shall not be issued unless all the payments into the respective funds and accounts provided for in the Prior Ordinance on account of the Prior Debt Outstanding and any other payments provided for in the Prior Ordinance, shall have been made in full as required to the date of delivery of the 2001 Bonds.

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01. Funds and Accounts. The funds and accounts established by the Prior Ordinance are hereby continued. In addition to the funds and accounts established by the Prior Ordinance, there is hereby created at the Commission a sinking fund and a reserve account with respect to each series of 2001 Bonds. Following the monthly payment of operation and maintenance expense, the City shall make monthly payments to the Commission of the debt service on the Prior Debt and the 2001 Bonds.

Simultaneously with the transfers made pursuant to Section 4.02A(2) of the Prior Ordinance with respect to the Prior Bonds, the City shall simultaneously deposit on the first day of each month a sum equal to one-sixth of the amount of interest which will become due on the 2001 Bonds on the next ensuing semi-annual interest payment date and shall simultaneously deposit with the Commission on the first of each month beginning on the first day of the month which is thirteen months prior to the first principal payment date of the 2001 Bonds a sum equal to one-twelfth of the principal which will mature or become due on the 2001 Bonds on the next principal payment date.

To the extent not funded with proceeds of the Bonds or otherwise previously funded, the City shall simultaneously with the payments required under Section 4.02A(3) of the Prior Ordinance deposit with the Commission an amount equal to one and one hundred twentieth of the reserve account requirement to the respective reserve account.

Moneys in the respective Sinking Funds shall be used only for the purposes of paying principal of and interest on the respective series of Bonds as the same shall become due. Moneys in the Reserve Account in the respective Sinking Funds shall be used only for the purpose of paying principal of or interest on the respective series of Bonds, as the same shall come due, when other moneys in the respective Sinking Fund are insufficient therefor, and for no other purpose. Except for the funds required to be deposited in the Rebate Fund, all investment earnings on moneys in the respective Reserve Accounts shall be transferred, not less than once each year, to the Bond Construction Trust Fund prior to completion of the Project and thereafter, pro rata, to the respective Sinking Funds.

Any withdrawals from the Reserve Accounts which result in a reduction in the balance of any Reserve Account to an amount below the applicable Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments to the Sinking Funds for payment of debt service on the Bonds have been made in full.

Moneys in the Reserve Accounts shall be invested and reinvested by the Commission in accordance with Section 4.04 hereof.

If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds or accounts as hereinabove and in the Prior Ordinance as provided, the deficiency is to be made up in subsequent payments, in addition to the payments which would otherwise be required to remain in the funds and accounts on subsequent payment dates. During such short period of insufficient funds, the funds received shall be distributed pro rata among the various Bonds outstanding. Additionally, at such time as required by the Authority, the City shall make its debt service payments to the Commission through automatic debit or other automatic bank transfer.

Except as provided above, all sinking fund, reserve, and renewal and replacement payments shall remain as governed by Section 4.02 of the Prior Ordinance.

Section 4.02. Investments. Any moneys held as a part of the funds and accounts created by this Ordinance, other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank or such other bank or national banking association holding such fund or account, as the case may be, at the direction of the City in any Qualified Investments to the fullest extent possible under applicable laws, this Ordinance, the need for such moneys for the purposes set forth herein and the specified restrictions and provisions set forth in this Section 4.02.

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. The Commission, the Depository Bank or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss of such liquidation. The Depository Bank or such other bank or national banking association may make any and all investments permitted by this section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

ARTICLE V

ADDITIONAL COVENANTS OF THE CITY

All the covenants, agreements and provisions of the Prior Ordinance shall remain in full force and effect as long as the Prior Debt and the 2001 Bonds are outstanding and shall apply to the 2001 Bonds as if fully set out herein. The following covenants are supplemented and in addition to the covenants set forth in the Prior Ordinance.

Section 5.01. Tax Covenants. The City hereby further covenants and agrees as follows:

A. PUBLIC PURPOSE BONDS. The System, after the merger, will be solely operated as a public purpose and as local governmental activity of the City.

B. PRIVATE ACTIVITY BOND COVENANT. The City shall not permit at any time or times any of the proceeds of the 2001 Bonds or any other funds of the City to be used directly or indirectly in a manner which would result in the exclusion of the 2001 Bonds from the treatment afforded by Section 103(a) of the Code by reason of the classification of the 2001 Bonds as "private activity bonds" within the meaning of the Code. The City will take all actions necessary to comply with the Code in order to assure the tax-exempt status of the 2001 Bonds.

C. PRIVATE LOAN LIMITATION. The City shall assure that not in excess of 5% of the Net Proceeds of the 2001 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.

D. FEDERAL GUARANTEE PROHIBITION. The City 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 2001 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

E. INFORMATION RETURN. The City will file all statements, instruments and returns necessary to assure the tax exempt status of the 2001 Bonds, including without limitation the information return required under Section 149(e) of the Code.

F. FURTHER ACTIONS. The City will take any and all actions that may be required of it (including those deemed necessary by the Authority) so that the interest on the 2001 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 those determined by the Authority) which would adversely affect such exclusion.

Section 5.02. Rebate Covenant. The City is a governmental unit with general taxing powers to finance operations of or facilities of the nature of the System. As covenanted above, the 2001 Bonds are not private activity bonds within the meaning of the Code, and ninety-five percent (95%) or more of the net proceeds (as defined with respect to the Code) of the 2001 Bonds will be used for local governmental activities of the City. The City reasonably expects to expend the proceeds of the 2001 Bonds within the time period that would provide an exception from the rebate requirements of Section 148(f) of the Code. Notwithstanding the foregoing, if the City is in fact subject to such rebate requirements, the City hereby covenants to rebate to the United States the amounts required by the Code and to take all steps necessary to make such rebates. In the event the City fails to make such rebates as required, the City shall pay any and all penalties and obtain a waiver from the Internal Revenue Service in order to maintain the tax-exempt status of interest on the 2001 Bonds.

Section 5.03. Arbitrage. The City covenants that (i) it will restrict the use of the proceeds of the 2001 Bonds in such manner and to such extent as may be necessary, in view of the City's reasonable expectations at the time of issuance of the 2001 Bonds, so that the 2001 Bonds will not constitute "arbitrage bonds" under 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 2001 Bonds so that the interest on the 2001 Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 5.04. Tax Certificate and Rebate. The City shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the 2001 Bonds. In addition, the City covenants to comply with all regulations from time to time in effect and applicable to the 2001 Bonds as may be necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the 2001 Bonds and fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such regulations, regardless of whether such actions may be contrary to any of the provisions of the Ordinance.

If it is determined that the City does not quality for an exception to Section 148 of the Code or the City is otherwise subject to rebate in connection with the 2001 Bonds, the City shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Authority, the City shall deposit, or cause to be deposited, with the Depository Bank in a separate fund designated the Rebate Fund, such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other

lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder, if any, and used only for payment of rebatable arbitrage to the United States. The City shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the City to be used for any lawful purpose of the System. The City shall remit payments to the United States in the time and at the address prescribed by the regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the City shall assure that such payments are made by the City to the United States, on a timely basis, from any funds lawfully available therefor. In addition, the City shall cooperate with the Authority in preparing 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 City. To the extent not so performed by the Authority, the City and the Depository Bank (at the expense of the City) may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the City or the Depository Bank may deem appropriate in order to assure compliance with this Section 5.11. The City shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.11 in accordance with the requirements of Section 148(f) of the Code. In the event the City fails to make such rebates as required, the City shall pay any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the 2001 Bonds from gross income for federal income tax purposes.

The City shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation and certificate with respect thereto or, if the City qualifies for the small governmental issue exception to rebate or any other exception therefrom, then the City shall submit to the Authority a certificate stating that it is exempt from such rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the 2001 Bonds subject to rebate. The City 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 2001 Bonds (as defined in the Code).

The City shall furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority and shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the 2001 Bonds (as that term is defined in the Code) from time to time as the Authority may request.

Section 5.05. Securities Laws Compliance. The City 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 (17CFR Part 240).

Section 5.06. Defeasance of Bonds. If the City shall pay or cause to be paid, or there shall otherwise be paid, to the Owners of all 2001 Bonds the principal thereof, and redemption premium, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Ordinance, then the pledge of Net Revenues and any other moneys and securities pledged under this Ordinance and all covenants, agreements and other obligations of the City to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied.

The 2001 Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient to pay, as and when due, the principal of and interest on the Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this Section. All Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agents, 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 and interest due and to become due on said Bonds on and prior to 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 purposes other than, and shall be held in trust for, the payment of the principal of and redemption premium, if applicable, on and interest on said Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if applicable, on and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Commission, free and clear of any trust, lien or pledge. For the purpose of this Section, securities shall mean and include only Government Obligations.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Modification or Amendment. No material modification or amendment of this Ordinance or of any ordinance or resolution amendatory hereof or supplemental hereto which would materially and adversely affect the rights of Bondholders shall be made without the consent in writing of the owners of two-thirds (2/3) or more in principal amount of the 2001 Bonds then Outstanding and to be affected by said modification; provided, however, that no change shall be made in the maturity of any 2001 Bond or 2001 Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the City to pay such principal and interest out of the revenues of the System without the consent of the owner thereof. No amendment or modification shall be made which would reduce the percentage of the principal amount of 2001 Bonds required for consent to the above permitted amendments or modifications.

Section 6.02. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 6.03. Repeal of Conflicting Ordinances. All ordinances, resolutions and orders, or parts thereof, other than the Prior Ordinance, in conflict with this Ordinance are to the extent of such conflict repealed.

Section 6.04. Covenant of Due Procedure. The City covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the final enactment and passage 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 Council were at all times when any actions in connection with this Ordinance occurred, and are, duly in office and duly qualified for such office.

Section 6.05. Abstract of Ordinance and Notice of Public Hearing. Upon adoption hereof, the abstract of this Ordinance in the form set forth in Exhibit B attached hereto and incorporated herein by reference, shall be published once a week for two successive weeks, with at least six full days intervening between each publication, in the Charleston Gazette and Charleston Daily Mail, newspapers of general circulation in the City of Charleston, together with a notice stating that this Ordinance has been adopted and that the City contemplates the issuance of the Bonds, and that any person interested may appear before the City upon a certain date, 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 City for review by interested persons during office hours of the City. The Council hereby determines that the Abstract contains sufficient information as to give notice of the contents hereof. At such hearing, all objections

and suggestions shall be heard and the City shall take such action as it shall deem proper in the premises.

Section 6.06. Effective Date. This Ordinance shall take effect after passage, public hearing and otherwise in the manner prescribed by law.

EXHIBIT A

[FORM OF THE 2001 BOND]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
COUNTY OF KANAWHA
THE CITY OF CHARLESTON
SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES __

No. R-__ $_____

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF CHARLESTON, a municipal corporation of the State of West Virginia, in Kanawha County of said State (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to West Virginia Water Development Authority (the "Authority "), or registered assigns, the sum of _____ ($___ _____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in installments on _____ 1 commencing _____, 2001, as set forth on the "Schedule of Annual Debt Service" attached as Schedule A hereto and incorporated herein by reference, with interest on each installment at the rate of _____ percent (___%) per annum as set forth on said Schedule A.

Principal installments of this 2001 Bond are payable in any coin or currency which, on the respective dates of payment of principal, 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 Paying Agent. The interest on this 2001 Bond is payable by check or draft mailed to the Payee at the address as it appears on the books of the Registrar on the 15th day of the month preceding an interest payment date or by such other method as shall be mutually agreeable so long as the Authority is registered owner hereof.

This 2001 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.

This 2001 Bond is issued to evidence the City's assumption of the Guthrie Public Service District's _____. This 2001 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 of the West Virginia Code of 1931, as amended (the "Act"), Ordinance No. 4828 enacted on April 20, 1992, as amended, Ordinance No. _____ enacted by the City on the ___ day of February, 2001, and a Supplemental Resolution adopted by the City on the _ day of February, 2001 (collectively called the "Ordinance"), and is subject to all the terms and conditions thereof. The

Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the 2001 Bonds under the Ordinance.

This 2001 Bond ranks equally as to lien and security with the _____, as are defined in the Ordinance.

This 2001 Bond is payable only from and secured by a pledge of a [first lien] on the Net Revenues as defined in the Ordinance, to be derived from the operation of the System, moneys in the Reserve Account created under the Ordinance and unexpended proceeds of the 2001 Bonds on parity with the _____ Bonds [but senior to the Second Lien Bonds.] Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This 2001 Bond does not constitute a corporate indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, nor shall the City be obligated to pay the same or the interest thereon except from said special fund provided from the Net Revenues, the moneys in the Reserve Account and unexpended 2001 Bond proceeds. Pursuant to the Ordinance, the City has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to pay the maximum amount due in any ensuing fiscal year of principal of and interest on all obligations on a parity with or prior to the 2001 Bonds, payable from such revenues, provided however, that so long as there exists in the Reserve Account an amount equal to the maximum amount of principal and interest which will become due on the 2001 Bonds and any bonds on a parity therewith in any succeeding fiscal year and in each of the reserve accounts for the Prior Bonds, respectively, an amount equal to the requirement therefor, such percentage may be reduced to 110%. The City has entered into certain further covenants with the registered owners of the 2001 Bonds for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the 2001 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

This 2001 Bond is transferable, as provided in the Ordinance, only upon the books of the Registrar, kept for that purpose at the office of the Registrar, by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this 2001 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.

This 2001 Bond, under the provision of the Act is, and has provided 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 2001 Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be

applied solely to the payment of the Costs of the Project described in the Ordinance or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the owner of this 2001 Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this 2001 Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this 2001 Bond, together with all other obligations of the City, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the City for the prompt payment of the principal of and interest on this 2001 Bond.

All provisions of the Ordinance, resolutions and statutes under which this 2001 Bond is issued shall be deemed to be a part of the contract evidenced by this 2001 Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, THE CITY OF CHARLESTON has caused this 2001 Bond to be signed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Clerk, and has caused this 2001 Bond to be dated ___ __, 2001.

[SEAL]

_____
Mayor

ATTEST:

_____
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This 2001 Bond is one of the 2001 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the registered owner set forth above.

_____,
as Registrar

By _____
Its Authorized Officer

Dated: _____

SCHEDULE A

SCHEDULE OF ANNUAL DEBT SERVICE

[Form of Assignment]

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

_____

_____

_____

_____

_____

the within 2001 Bond and does hereby irrevocably constitute and appoint _____ ____, Attorney to transfer the said 2001 Bond on the books kept for registration of the within 2001 Bond of the said City with full power of substitution in the premises.

Dated: _____, ___.

_____

In the presence of:

_____

[THIS IS THE END OF EXHIBIT A]

EXHIBIT B

THE CITY OF CHARLESTON, WEST VIRGINIA

NOTICE OF PUBLIC HEARING and ABSTRACT OF BOND ORDINANCE

Notice is hereby given to any person interested that on March 19, 2001, the Council of The City of Charleston, West Virginia (the "City") adopted an ordinance which:

1. Authorized the acquisition by merger of the assets of Guthrie Public Service District (the "District") to be incorporated in the City's wastewater treatment system (the "System") and the assumption of the District's outstanding bond debt through the issuance of not more than $855,000 in aggregate principal amount of Sewerage System Revenue Bonds (the "Bonds").

2. Directed that the Bonds be issued in two or more series and in the form of one bond each, fully registered with a payment record attached; that interest on the Bonds shall be no more than twelve percentum (12%) per annum, that said Bonds mature in not more than forty years and that said Bonds be issued for the par value thereof; that the Bonds be executed in the name of the City by the Mayor, and the seal of the City be affixed thereto and attested to by the City Clerk; that such Bonds be duly authenticated by the Registrar and delivered to the West Virginia Water Development Authority.

4. Directed the continuation of the Revenue Fund and the disposition of the System revenues; provided for the payment of operating expenses; provided for the monthly payment of principal and interest when due; provided for the creation of reserve accounts for the Bonds and continuation of a Renewal and Replacement Fund; and provided for the use of excess funds of the System.

5. Pledged the Net Revenues of the System to payment of the Bonds.

The City contemplates the issuance of the Bonds described in, and under the conditions set forth in the Ordinance abstracted above. Any person interested may appear before the Council of the City of Charleston at a regular meeting thereof at 7:00 p.m., prevailing time, on April 2, 2001, at the Council

Chambers, City Hall, Charleston, West Virginia, and present objections and be heard as to whether the above described Ordinance shall be put into effect.

A certified copy of the Ordinance as adopted by the Council of City on March 19, 2001, is on file with the City Clerk for review by interested persons at the City Hall during regular office hours, to-wit: 8:00 a.m. to 4:00 p.m., Monday through Friday.

/s/_____
City Clerk -- The City of Charleston,
West Virginia

CERTIFICATE OF TRUTH AND ACCURACY

I, the undersigned, as Clerk of The City of Charleston, Kanawha County, West Virginia, do hereby certify that the foregoing document is a true and accurate copy of an official record of The City of Charleston, such records being in the custody of the undersigned and maintained at The City of Charleston, City Hall, Charleston, Kanawha County, West Virginia, and that the action taken by the Council in the foregoing document remains in full force and effect and has not been amended or repealed.

Dated this ___ day of March, 2001.

_____
City Clerk

[SEAL]

PETITION OF THE SANITARY BOARD
OF
THE CITY OF CHARLESTON, WEST VIRGINIA

TO THE COUNCIL OF THE CITY OF CHARLESTON, WEST VIRGINIA:

Pursuant to the provisions of Chapter 16, Article 13, Section 5 of the Code of West Virginia, 1931, as amended, the Sanitary Board (the "Sanitary Board") of The City of Charleston, West Virginia (the "City"), which was established pursuant to an ordinance passed by the Council of the City (the "Council") on June 16, 1952, hereby petitions the Council to enact an ordinance which shall:

(a) set forth a brief and general description of additions, betterments and improvements to the existing sewerage system of the City, concerning the proposed merger of the Guthrie Public Service District (the "District"). The City currently treats sewerage from the District and performs many other functions pursuant to an operating agreement approved by the West Virginia Public Service Commission ("PSC"). Pursuant to an agreement dated April 13, 1999, between the City and the District, as approved by the PSC, the City will take possession of all the property and assets of the District, the City will assume all of the legal and financial obligations of the District and the customers served by the District will become the customers to be served by the City (the "Project");

(b) order the acquisition of the Project;

(c) direct that sewerage system revenue bonds of the City be issued pursuant to Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended. The City shall issue sewerage system revenue bonds to replace the District's outstanding bonds in an approximate amount of $854,231.89; and

(d) contain such other provisions as may be necessary in the premises.

WITNESS our signatures on this 16th day of February, 2001.

THE SANITARY BOARD OF THE CITY OF CHARLESTON, WEST VIRGINIA

By: _____
Mayor of the City and
Chairman of Sanitary Board

_____
Member

_____
Engineer-Member

C0458972.1

CERTIFICATE OF AUTHENTICITY

I, the undersigned City Clerk of the City of Charleston, do hereby certify that the foregoing is a true, correct and complete copy of First Reading on Bill No. 6777, enacted by the Charleston City Council on March 5, 2001.

Witness the signature of the undersigned City Clerk of the City of Charleston, West Virginia, and the seal of said City, this 24th day of April, 2001.

Seal

James M. Reishman, City Clerk

JOURNAL

OF THE

COUNCIL

CITY OF CHARLESTON

WEST VIRGINIA

MARCH 5, 2001

THE COUNCIL MET IN CHAMBERS OF THE CITY BUILDING AT 7:00 P.M., FOR THE FIRST MEETING IN THE MONTH OF MARCH, ON THE 5TH DAY, IN THE YEAR 2001, AND WAS CALLED TO ORDER BY THE HONORABLE MAYOR, JAY GOLDMAN.

PRAYER WAS OFFERED BY HENRY KNAUFF, WARD 7 COUNCIL.

THE CLERK CALLED THE ROLL AND THE FOLLOWING MEMBERS ANSWERED TO THEIR NAMES:

CHARNOCK
CRICKENBERGER
DAVIS
FOUTY-YOUNG
HAAS
HARRIS
HENRY
JONES
KIMBERLING
KNAUFF
LANE
DAVID LANHAM
JAMES LANHAM
LOEB
LOPEZ
MARKHAM
MCKNIGHT
MOLGAARD
MORTON
NIELSEN
PETTRY
PRUNTY
QUICK
REISHMAN
ROLLER
TALKINGTON
MAYOR GOLDMAN

TWENTY-SEVEN MEMBERS BEING PRESENT, THE MAYOR DECLARED A QUORUM.

PENDING THE READING OF THE JOURNAL OF THE PREVIOUS MEETING, THE READING THEREOF WAS DISPENSED WITH AND THE SAME DULY APPROVED.

PUBLIC SPEAKERS

1. Bobby Tolliver
2. Jim Kilgore

CLAIMS

1. A Claim of Movin' On Storage; 200 Piedmont Road, Charleston, WV; alleges damages to property; Referred to City Solicitor.

2. A Claim of Virginia Moles; 12 Brick Lane Court, Cross Lanes, WV; alleges personal injury; Referred to City Solicitor.

3. A Claim of Allen Serls; 131 Jenkins Drive, Charleston, WV; alleges damages to vehicle; Referred to City Solicitor

COMMUNICATIONS

PROCLAMATION

TWO FOLLOWING

EXECUTIVE DEPARTMENT

CITY OF CHARLESTON

PROCLAMATION

By the Mayor

WHEREAS: The Horace Mann Middle School Girls Varsity Basketball team compiled an 18-1 record for the 2000-2001 season, capturing the regular season championship and the Kanawha County Middle School Girls' tournament championship; and

WHEREAS: The Horace Mann Middle School Girls Varsity Basketball team achieved these championships for the first time ever in the 20 year history of the Girls' Basketball program at the school; and

WHEREAS: The Horace Mann Middle School Girls Varsity Basketball team scored a total of 961 points while allowing only 367 points to be scored by their opponents, giving them an average winning margin of 32 points and exemplifying their outstanding season performance; and

WHEREAS: The Horace Mann Middle School Girls Varsity Basketball team avenged their only season loss to Stonewall Jackson Middle School by defeating them in the tournament championship; and

WHEREAS: The Horace Mann Middle School Girls Varsity Basketball team was led to this championship season by the overwhelming fan support and the outstanding leadership of the coaching staff, including: Head Coach Jamie LaMaster, Assistant Allen Annie, Assistant Mike McClung; and

WHEREAS: The Horace Mann Middle School Girls Varsity Basketball team members include: Ashley Teel, Meredith Prunty, Whitney Ray, Kelly Metheny, Becky White, Christine Fink, Maggie Smith-Shimer, Jessyca Wade, Fawn Washington, Nicole Stark, Danielle Fernandez and Laura Buckalew; and

WHEREAS: The coaches and players of The Horace Mann Middle School Girls Varsity Basketball team shall be recognized not only for their performance on the court but also for bringing pride and enthusiasm to the school and community.

NOW THEREFORE: I, Jay Goldman, Mayor of the City of Charleston, do hereby proclaim March 5, 2001 in honor of:

KANAWHA COUNTY MIDDLE SCHOOL CONFERENCE CHAMPIONS
HORACE MANN MIDDLE SCHOOL GIRLS' VARSITY BASKETBALL TEAM

IN WITNESS HEREOF, I have hereunto set my hand and caused the Seal of the Executive Department to be affixed this 5th day of March 2001.

Jay Goldman, Mayor

EXECUTIVE DEPARTMENT

CITY OF CHARLESTON

PROCLAMATION

By the Mayor

WHEREAS: Grace D. Harrah, or "Amazing Grace", was born on March 4, 1901 and hasn't slowed down since, living through inventions such as the automobile, airplane and radio; and

WHEREAS: Grace D. Harrah left home at the age of 16 and began teaching, which she would continue to do for 35 years; and

WHEREAS: Grace D. Harrah managed to put all three of her children and eleven grandchildren through college and is working on the great grandchildren; and

WHEREAS: Grace D. Harrah has been active through her life in politics and the church, teaching Sunday School and being a Circle Leader; and

WHEREAS: Grace D. Harrah brightens each life that she touches and is one of few who sees the good in each person she meets, thus truly deserving of the name, "Amazing Grace."

NOW THEREFORE: I, Jay Goldman, Mayor of the City of Charleston, do hereby proclaim March 4, 2001 in honor of:

"AMAZING GRACE" GRACE D. HARRAH

IN WITNESS HEREOF, I have hereunto set my hand and caused the Seal of the Executive Department to be affixed this 4th day of March 2001.

Jay Goldman, Mayor

APPOINTMENTS

TO: James Reishman, City Clerk
FROM: Jay Goldman, Mayor
RE: Charleston Urban Renewal Authority
DATE: March 1, 2001

I am recommending that John M. Wells, Jr., 1856 Louden Heights Road, Charleston, WV 25314, be reappointed to the Charleston Urban Renewal Authority. Mr. Wells said term will expire March 3, 2001.

I respectfully request City Council's approval of this recommendation.

The question being on the confirmation of the appointment a vote was taken. There being no dissent the Mayor declared the appointment confirmed unanimously.

TO: James Reishman, City Clerk
FROM: Jay Goldman, Mayor
RE: Charleston Urban Renewal Authority
DATE: March 1, 2001

I am recommending that Ed H. Maier, 1233 Staunton Road, Charleston, WV 25314, be reappointed to the Charleston Urban Renewal Authority. Mr. Maier's said term will expire March 3, 2006.

I respectfully request City Council's approval of this recommendation.

The question being on the confirmation of the appointment a vote was taken. There being no dissent the Mayor declared the appointment confirmed unanimously.

MISCELLANEOUS RESOLUTIONS

Introduced by Councilwoman Sara Crickenberger on March 5, 2001:

Resolution No. 707-01, "Closing the Government Square Urban Renewal Area and the Triangle Urban Renewal Project, for the purpose of restoring zoning jurisdiction from the Charleston Urban Renewal Authority to the City of Charleston, West Virginia, pursuant to Chapter 16, Article 18 of the West Virginia Code."

Referred to Council Committee on Urban Renewal.

Introduced by Councilman Fred Pettry on March 5, 2001;

Resolution No. 708-01-"Authorizing and Directing the Mayor to appoint a Select Committee to investigate the feasibility of and probable revenue from City sponsored Bingo."

Referred to Select Committee on Bingo.

Mayor Goldman appointed the following members to the Committee.

Councilman Fred Pettry, Chairman
Councilmembers Henry Knauff, Patrick Jones and Jim Harris, Jr.

REPORTS OF STANDING COMMITTEES

PLANNING

Councilwoman Mary Jean Davis, Chairman of the Council Committee on Planning, submitted the following reports.

1. Your Committee on Planning has had under consideration Special Permit No. 981, attached hereto and made a part hereof. Your Committee finds that the use is consistent with the surrounding area and should not have any adverse impact on the area, and reports the same to Council with the recommendation that the Special Permit be approved.

The question being on the approval of the Special Permit a vote was taken. There being no dissent the Mayor declared Special Permit No. 981 approved unanimously.

2. Your Committee on Planning has had under consideration Special Permit No. 984, attached hereto and made a part hereof. Your Committee finds that the use will be accessory to an existing full service restaurant and will be consistent with surrounding uses. Your Committee further finds that the establishment of a bar within the restaurant should be limited to the main structure only, and reports the same to Council with the recommendation that the Special Permit be approved subject to the bar being restricted to the main structure only.

The question being on the approval of the Special Permit a vote was taken. There being no dissent the Mayor declared Special Permit No. 984 approved unanimously.

3. Your Committee on Finance has had under consideration Centre Court Road Street Naming Request, attached hereto and made a part hereof. Your Committee finds that there are no objections from the Post Office, Traffic Engineer, Fire Department, or Kanawha County Planning, and reports the same to Council with the recommendation that the street name be accepted.

The question being on the approval of the street naming request a vote was taken. There being no dissent the Mayor declared the street name Centre Court Road approved unanimously.

Mayor Goldman requested Eric Kessler, President of the Charleston Professional Firefighters Association N0. 317, to address Council. He reported on the recent audit of City funds he requested under the "Freedom of Information Act".

Mayor Goldman requested Brenda Lemon, City Auditor, to address Council. She presented interpretation of the City's Financial Statements.

Mayor Goldman requested Bob Denyer of Gibbons & Kawash Certified Public Accountants, to address Council. He presented interpretation of the 2000 City's Audited Financial Statements prepared by said firm.

Mayor Goldman requested Chris Smith, City Treasurer, to address Council. He presented interpretation involving the difference between reserved capital and unreserved capital funds as reported in the City's Financial Statements and City's Audited Financial Statements. He concluded the City did not have an excess of $8,600,000 in net assets.

FINANCE

Councilman Larry Roller, Chairman of the Council Committee on Finance, submitted the following reports.

1. Your Committee on Finance has had under consideration Resolution No. 699-01, authorizing the Finance Director to make revisions to the 2000-2001 General Fund budget as indicated on the attached list of accounts, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 699-01-"Authorizing the Finance Director to make revisions to the 2000-2001 General Fund budget as indicated on the attached list of accounts".

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Finance Director is hereby authorized and directed to make revisions to the 2000-2001 General Fund budget as indicated on the attached list of accounts; and be it

FURTHER RESOLVED that this budgetary revision is being made prior to the expenditure or obligation of funds for which no appropriation or insufficient appropriation currently exists.

LIST FOLLOWING

Account No.	Department	Description	ount
01-440-00-000-4-061	Building Maintenance	C/O-Lease Purchase	29,300
01-412-00-000-2-011	City Manager		(1,000)
01-417-00-000-2-011	Legal		(600)
01-436-00-000-2-011	Building Commission		(3,000)
01-437-00-000-2-011	Planning		(500)
01-440-00-000-2-011	Building Maintenance		(4,200)
01-566-00-000-2-011	Public Works		(3,000)
01-700-00-000-2-011	Police-Uniform		(12,000)
01-706-00-000-2-011	Fire-Uniform		(3,000)
01-900-00-000-2-011	Parks & Recreation		(2,000)
Reallocate funds for lease purchase of new telephone system.			0

01-305-00-0011	Revenue	B&O Tax-Current Year	600,000
01-409-00-000-1-005	Mayors Office	Medical & Life Insurance	2,114
01-410-00-000-1-005	City Council		1,500
01-412-00-000-1-005	City Manager		3,171
01-413-00-000-1-005	City Treasurer		2,114
01-414-00-000-1-005	City Collector		7,928
01-415-00-000-1-005	City Clerk		1,586
01-416-00-000-1-005	Municipal Court		3,171
01-417-00-000-1-005	Legal		1,586
01-418-00-000-1-005	Accounting		3,700
01-420-00-000-1-005	Engineering		3,171
01-421-00-000-1-005	MOECD		6,342
01-422-00-000-1-005	Human Resources		1,586
01-431-00-000-1-005	Mail Room		1,586
01-436-00-000-1-005	Building Commission		4,228
01-437-00-000-1-005	Planning		2,642
01-439-00-000-1-005	Information Systems		1,586
01-440-00-000-1-005	Building Maintenance		2,642
01-442-00-000-1-005	Internal Audit		528
01-566-00-000-1-005	Public Works		1,057
01-567-00-000-1-005	Public Grounds		11,099
01-700-00-000-1-005	Police-Uniform		93,547
01-700-01-000-1-005	Police-Civilian		17,970
01-706-00-000-1-005	Fire-Uniform		107,817
01-706-01-000-1-005	Fire-Civilian		2,642
01-712-00-000-1-005	Traffic Engineering		6,342
01-716-00-000-1-005	C-K Emergency Services		528
01-750-00-000-1-005	Street		35,410
01-754-00-000-1-005	Equipment Maintenance		11,099
01-800-00-000-1-005	Refuse Collection & Recycling		35,410
01-900-00-000-1-005	Parks & Recreation		19,555
01-910-00-000-1-005	Municipal Auditorium		1,586
01-952-00-000-1-005	Spring Hill Cemetery		3,171
01-954-00-000-1-005	Human Rights		1,586
01-301-00-0002	Revenue	Property Taxes	(37,000)
01-328-00-0000		Franchise Fees	(80,000)
01-362-00-0000		Reimb. Command Center	(250,000)
01-363-00-0000		Ambulance Fees	(175,000)
01-368-00-0000		Contributions from Other Entities	(250,000)
01-700-00-000-2-021	Police-Uniform	Training	(3,300)
01-700-00-000-3-044		Prisoner Costs	(50,000)
01-700-00-000-3-045		Uniforms	(40,000)
01-706-00-000-2-014	Fire-Uniform	Travel	(3,000)
01-706-00-000-2-016		M&R-Equipment	(12,000)
01-706-00-000-2-020		Legal Publications	(1,000)
01-706-00-000-2-021		Training	(12,000)
01-706-00-000-2-025		Laundry	(6,000)
01-706-00-000-3-041		Materials & Supplies	(1,200)
01-706-00-000-3-042		Fire Investigation	(1,500)
01-706-00-000-3-045		Uniforms	(20,000)
01-706-00-000-3-052		Fire Prevention	(1,000)
01-706-00-000-4-059		C/O-Equipment	(57,000)
Adjust for shortfall in B&O Taxes and increased health care costs.			0

REPORTABLE:

To maintain compliance with budgetary guidelines of the State of West Virginia, State Auditors Office, Chief Inspector Division.

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-27, nays-0, absent-0, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: None.

With a majority of all members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 699-01 adopted unanimously.

2. Your Committee on Finance has had under consideration Resolution No. 700-01, authorizing the Finance Director to make revisions to the 2000-2001 Civic Center budget as indicated on the attached list of accounts, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 700-01-"Authorizing the Finance Director to make revisions to the 2000-2001 Civic Center budget as indicated on the attached list of accounts."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Finance Director is hereby authorized and directed to make revisions to the 2000-2001 Civic Center budget as indicated on the attached list of accounts; and be it

FURTHER RESOLVED that this budgetary revision is being made prior to the expenditure or obligation of funds for which no appropriation or insufficient appropriation currently exists.

Civic Center 2000-2001 Budget Amendment No. 3 - March 5, 2001

Account No.	Department	Description	Amount
81-910-01-000-2-015	Civic Center	M&R-Buildings & Grounds	(9,865)
81-910-01-000-4-059		C/O-Equipment	9,865

Reallocate funds to provide for purchase of a floor scrubber (replacement).

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-26, nays-1, absent-0, as follows:

YEAS: Charnock, Crickenberger, Davis, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: Fouty-Young.

ABSENT: None.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 700-01 adopted.

3. Your Committee on Finance has had under consideration Resolution No. 701-01, authorizing the Mayor to enter into a one-year contract with Asbestos Consulting, Inc., for asbestos abatement of structures slated for demolition, at a cost based on the square footage price of $3.09 per square foot; To be charged to the following accounts:
$22,335 - 01-436-0-0-2-030, Building Commission, Contracted Services
$41,658 - 25-000-00-033, CDBG-Demolition/Clearance
(Total funds available for asbestos abatement and demolition contracts), and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 701-01-"Authorizing the Mayor to enter into a one-year contract with Asbestos Consulting, Inc., for asbestos abatement of structures slated for demolition, at a cost based on the square footage price of $3.09 per square foot."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a one-year contract with Asbestos Consulting, Inc., for asbestos abatement of structures slated for demolition, at a cost based on the square footage price of Three Dollars and Nine Cents ($3.09) per square foot.

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-26, nays-1, absent-0, as follows:
YEAS: Charnock, Crickenberger, Davis, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.
NAYS: Fouty-Young.
ABSENT: None.
With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 701-01 adopted.

4. Your Committee on Finance has had under consideration Resolution No. 702-01, authorizing the Mayor to enter into a one-year contract with Apex Demolition Company providing for demolition of designated structures throughout the City at a rate of $1.19 per square foot; To be charged to the following accounts:
$22,335 - 01-436-0-0-2-030, Building Commission-Contracted Services
$41,658 - 25-000-00-033, CDBG-Demolition/Clearance
(Total funds available for demolition and asbestos abatement contracts), and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 702-01-"Authorizing the Mayor to enter into a one-year contract with Apex Demolition Company providing for demolition of designated structures throughout the City at a rate of $1.19 per square foot."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a one-year contract with Apex Demolition Company providing for demolition of designated structures throughout the City at a rate of One Dollar and Nineteen Cents ($1.19) per square foot.

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-26, nays-1, absent-0, as follows:

YEAS: Charnock, Crickenberger, Davis, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: Fouty-Young.

ABSENT: None.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 702-01 adopted.

5. Your Committee on Finance has had under consideration Resolution No. 703-01, authorizing the Mayor to enter into a Lease Agreement with Real Estate Resources, Inc., to extend the lease for the Police Department mini-station, located at 110 West Washington Street, for an additional six-month period beginning March 1, 2001 and continuing through August 31, 2001. This property is available rent-free to the Department, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 703-01–"Authorizing the Mayor to enter into a Lease Agreement with Real Estate Resources, Inc., to extend the lease for the Police Department mini station, located at 110 West Washington Street, for an additional six-month period beginning March 1, 2001 and continuing through August 31, 2001. This property is available rent-free to the Department."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a Lease Agreement with Real Estate Resources, Inc., to extend the lease for the Police Department mini-station, located at 110 West Washington Street, for an additional six-month period beginning March 1, 2001 and continuing through August 31, 2001. This property is available rent-free to the Department.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 703-01 adopted unanimously.

6. Your Committee on Finance has had under consideration Resolution No. 704-01, authorizing the Finance Director to allocate funds in the amount of $6,000 to provide a cash match to secure $30,040.50 in funds under the 2000-2001 Juvenile Accountability Incentive Block Grant from the West Virginia Division of Criminal Justice Services; To be charged to Account No. 31-299-0-0-4-059, Police Forfeiture Fund, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 704-01-"Authorizing the Finance Director to allocate funds in the amount of $6,000 to provide a cash match to secure $30,040.50 in funds under the 2000-2001 Juvenile Accountability Incentive Block Grant from the West Virginia Division of Criminal Justice Services."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Finance Director is hereby authorized and directed to allocate funds in the amount of Six Thousand Dollars ($6,000) to provide a cash match to secure Thirty Thousand Forty Dollars and Fifty Cents ($30,040.50) in funds under the 2000-2001 Juvenile Accountability Incentive Block Grant from the West Virginia Division of Criminal Justice Services.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 704-01 adopted unanimously.

7. Your Committee on Finance has had under consideration Resolution No. 705-01, authorizing the Police Department to receive and administer an additional $11,000 in grant funds available under the Governor's Highway Safety Program. These funds are in addition to the $84,796.00 approved by Council on August 7, 2000, and reports the same to Council with the recommendation that the Resolution be adopted as amended.

A motion was made to amend the Resolution be deleting the numbers "$11,000" and inserting in lieu of the numbers "$11,100".

The question being on the adoption of the amendment a vote was taken. There being no dissent the Mayor declared the amendment adopted unanimously.

Resolution No. 705-01, as amended-"Authorizing the Police Department to receive and administer an additional $11,100 in grant funds available under the Governor's Highway Safety Program. These funds are in addition to the $84,796.00 approved by Council on August 7, 2000."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Police Department is hereby authorized and directed to receive and administer an additional Eleven Thousand One Hundred Dollars ($11,100) in grant funds available under the Governor's Highway Safety Program. These funds are in addition to the Eighty-four Thousand Seven Hundred Ninety-six Thousand Dollars ($84,796) approved by Council on August 7, 2000.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 705-01, as amended, adopted unanimously.

8. Your Committee on Finance has had under consideration Resolution No. 706-01, authorizing the Mayor to enter into a contract with the University of Charleston for respective utilization of Blackwell Field and Watt Powell Park Baseball Field for the period commencing upon Council

approval and signature of the University's representative and terminating on December 31, 2002, and under all other terms set forth in the Contract, and reports the same to Council with the recommendation that the Resolution be adopted, as amended.

A motion was made to amend the Contract, Item 7, following the words "arising from" by deleting the words "operation of use of any concession facilities or any other....facilities"and inserting the words "or during the use of the Park by the University of Charleston ..... "; and Item 10, by removing the word "negligent" and replace with negligence"; and following the words "other acts by the" by adding the words "City, the University of Charleston, by "their", not "its" employees.

The question being on the adoption of the amendment a vote was taken. There being no dissent the Mayor declared the amendment adopted unanimously.

Resolution No. 706-01, as amended-"Authorizing the Mayor to enter into a Contract with the University of Charleston for respective utilization of Blackwell Field and Watt Powell Park Baseball Field for the period commencing upon Council approval and signature of the University's representative and terminating on December 31, 2002, and under all other terms set forth in the Contract."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a contract with the University of Charleston for respective utilization of Blackwell Field and Watt Powell Park Baseball Field for the period commencing upon Council approval and signature of the University's representative and terminating on December 31, 2002, and under all other terms set forth in the Contract.

CONTRACT FOLLOWING

THIS CONTRACT, dated the _____ day of _____, 2001, by and between THE CITY OF CHARLESTON, a municipal corporation, under the laws of the State of West Virginia, acting by and through its duly constituted authority, the Charleston City Council and its Mayor Jay Goldman, hereinafter referred to as "City", and the University of Charleston a _____.

WITNESSETH:

That, for and in consideration of the mutual promises and covenants hereinafter provided and the performance thereof by the respective parties hereto, and to promote the maximum utilization of the baseball facility at Watt Powell Park, (hereinafter "Baseball Park" or "Park") and to allow the City the use of the Blackwell Athletic Field, (hereinafter, "Athletic Field") it is hereby agreed as follows:

1. The term of this agreement shall be for the period commencing upon City Council approval and signature of the University of Charleston's representative, and terminating on December 31, 2002. The University of Charleston shall notify the City in writing not later than September 30, 2002, if the University of Charleston wishes to negotiate a contract for any additional period following the expiration date of this contract.

I. WATT POWELL PARK

2. It is understood between the parties that the use of the Baseball Park by the University of Charleston will be limited in that the Baseball Park will be offered for use to the Wheelers Baseball Limited Partnership d/b/a Charleston Alley Cats Professional Baseball Club (hereinafter "Club") for 70 games and all practices in which the Club is a participant, pursuant to the terms of the Contract between the Club and the City, dated the _____ day of _____, 2001.

3. It is further understood between the parties that all scheduling of the Baseball Park will be done by the City and the City will prioritize the use of the field to the following organizations in the following order:

a. Wheelers Baseball Limited Partnership d/b/a Charleston Alley Cats Professional Baseball Club (pursuant to the terms of the contract between the City and the Wheelers, dated).

b. University of Charleston (pursuant to the terms of the contract between the City and the University dated).

c. West Virginia Secondary Schools Activities Commission;

d. Little League;

e. All West Virginia public high schools.

4. The City will determine whether the Baseball Park is in playable condition.

5. University of Charleston shall use the Baseball Park for only the playing of baseball games and practices as time permits.

6. The City will make the previously described facilities available to the University of Charleston in accordance with this agreement at an annual rental charge of One Dollar, ($1.00), to be paid upon the execution of this contract.

7. The University of Charleston, as demonstrated by its representative's signature herein below, does hereby agree to indemnify, defend, and hold harmless the City against any and all liability and claims for all damages, including attorney fees, made by either party or any third parties, arising from the ~~operation or use of any concession facilities or any other~~ Park ~~facilities~~ by the University of Charleston , or by any of its agents, contractors, or invitees.

8. The University of Charleston agrees to comply, and to assure the compliance by any of its agents or contractors, with all federal, state and local safety, health and other regulatory requirements in the staffing and operations of any concession activities and park activities.

9. The University of Charleston may use the scoreboard at the Baseball Park only with the approval of the Club and by using an operator who has been trained to use the scoreboard, who has been approved by the Club.

10. The University of Charleston accepts the Baseball Park and all of its related facilities as is, based on the condition of the Park and said facilities as of the date of the execution of this contract. The City shall provide for the general maintenance and upkeep of the Baseball Park. The City shall not be responsible, however, for any injuries, repairs or damage directly or proximately caused by ~~negligent~~, intentional acts or other acts by the University of Charleston , by ~~its~~ employees, agents or contractors, or by the University of Charleston's invitees.

11. The University of Charleston agrees to keep any portion of the facilities that the University of Charleston utilizes in a clean and sanitary condition and to collect and dispose of refuse from its portion of the Park.

12. The cost of all utilities related to the operation of the Park, including water, sewer, electricity and trash collection shall be paid by the City. The University of Charleston shall pay for its own telephone service or other utilities or services related to the University of Charleston 's operation.

13. The University of Charleston will carry general commercial liability and property damage insurance in the amount of one million dollars, ($1,000,000.00), per occurrence, which insurance shall name the City as an additional insured.

14. The City shall retain all income from the parking lot facilities connected with the Park. The University of Charleston agrees to Park the vehicles of its employees, agents, contractors, and invitees in areas designated by the City.

15. In addition to the other requirements of this agreement, the University of Charleston further agrees to the following:

a. That the University of Charleston shall be responsible for all state and local taxes related to its use or occupation of the Park;

b. That the University of Charleston shall provide any ushers or other personnel necessary for the conduct of University of Charleston events;

c. That the University of Charleston shall provide the labor necessary for the application of any tarp used to protect the Park's playing field during inclement weather. Watt Powell Park's Stadium Manager shall designate the appropriate City personnel to assist the University of Charleston with the application of the tarp. The City Manager or his/her designee shall have the authority, on behalf of the City, to approve or disapprove the use of the tarp during all events or game other than the Alley Cats' events or games. The University of Charleston and the City Manager or his/her designee will jointly develop guidelines for use of the tarp;

d. That the University of Charleston shall provide adequate in-Park (Baseball Park) security for all University of Charleston events.

16. The City shall have the right to conduct customer service surveys at the Park during any University of Charleston event.

17. The University of Charleston shall make reasonable audible public address announcements concerning the liability of each invitee patron of the University of Charleston at the beginning of each University of Charleston event.

18. If, during the terms of this contract, the subject premises shall be damaged by fire, the elements, unavoidable accident or other casualty, but are not hereby rendered untenable in whole or in part, City may, at its sole option, cause such damage to be repaired. In the event a decision is made not to reconstructed the damaged or destroyed premises, this agreement and University of Charleston's use and occupancy of the premises hereunder shall cease as of the date of such occurrence. Unless the parties shall otherwise agree in writing, City shall have the sole claim to any insurance proceeds of any insurance carried on University of Charleston 's removable equipment, personal property or other properties of the City located on the leased premises.

II. BLACKWELL ATHLETIC FIELD

19. City, during the term of this agreement or any renewal or extension thereof, shall have the use of Blackwell Athletic Field, located at 19th Street and Kanawha Avenue in the City of Charleston, West Virginia, to have and to use and enjoy the same upon the terms and considerations, limitation and conditions herein set forth.

20. Scheduled University activities such as intramural sports, varsity baseball, soccer, softball practice and games, summer camps, and high school playoff games which have been traditionally played at Blackwell field, shall take precedenee over City usage of the field during this period. It will be the responsibility of the University to inform the Parks and Recreation and the Public Grounds Departments of these events, in writing, at least one week prior to them. Additionally, the University agree to provide the schedule of all games to the following person as soon as the schedule is know: Parks & Recreation Director; the council representative for the 17th ward, the traffic division commander of the CPD.

21. City may use said field from 8:00 a.m. until 11:00 p.m. Monday through Saturday, and from 12:00 Noon until 11:00 p.m. Sunday for the playing of youth baseball (primarily Big League and Senior League play of the Little League organization), softball, or soccer practice. Any activity must be agreed to by the University and must be supervised by the City. In the event of rain, the University will be the sole judge of whether the field is playable. Keys to the field for use of groups using it will be kept and disbursed by the University. City is responsible for scheduling the above activities.

22. City agrees to maintain lights, dugouts and adequate seating (portable bleachers) for all City events. The portable bleachers shall be shall be stored at Blackwell Field unless they are in use at a City function elsewhere. City agrees to maintain said field for City events; said maintenance, among other things, to include cutting and watering the grass, filling holes and lows areas in the filed with proper mixture of earth and sand, and reseeding at the conclusion of the season for all areas regularly used by the City. All maintenance and repairs will be scheduled so as to not interfere with University activities of the field.

23. City agrees to pay for electricity and water and all other items required for maintenance of the filed from April 15th through August 31st for each year.

24. City will carry public liability insurance in the minimum amount of $1,000,000 for the protection of both parties hereto.

25. The City will shall indemnify the University against all loss and/or liability arising from the City use of Athletic Field, unless said liability is due to the actions of the University of Charleston.

26. That for City functions and City sponsored functions only, the City will provide adequate police surveillance and control of the conduct of spectators and participants, control and direct traffic and parking in streets adjacent to the field immediately prior to, during and after the playing of games as determined by the City acting through its Chief of Police.

26. (a) That the University of Charleston shall provide adequate in-Park (Baseball Park) security for all University of Charleston events, however City will still provide traffic control.

27. Any concession stands shall be the responsibility of the University and all proceeds therefrom shall be for the benefit of such organization or organizations to be designated by it. Arrangements with Little League Baseball shall be as in previous years (50-50).

28. The City will be responsible for cleaning and removing from the field and adjacent streets and areas, paper, trash and other litter, after City sponsored events.

29. Prior to, during and after events, games and activities during this agreement period which are not scheduled through or by the City, the University agrees to provide all field maintenance and related supplies, field preparation, cleaning up of field, adjacent streets and areas, including removal of paper, trash and other litter. The University agrees to reimburse the City for materials required for vandalism repairs, building and equipment repair and replacement to the concession/storage complex.

30. The City and University shall be responsible for full compliance with all City ordinances, and all other laws including zoning regulations, in the City's use of said field.

31. This contract represents the complete agreement between the City and the University of Charleston, including all conditions, understandings, representations and warranties made between these parties, with respect to the use of the Park by the University of Charleston, and the Athletic Field by the City, and may not be modified orally or in any other manner than by agreement, in writing, signed by both parties hereto, or their respective successor in interest. This contract is not assignable in whole or in part without the prior written consent of the City. If any covenant is breached, this contract is immediately terminated

IN WITNESS WHEREOF, the City has caused its name to be signed through its Mayor thereunto duly authorized and attested to by its Clerk, and the University of Charleston has caused its name to be signed by its officer thereunto duly authorized in triplicate counterparts as of the day and year first written above.

ATTEST:

THE CITY OF CHARLESTON
a municipal corporation,

_____
City Clerk

By _____
Its Mayor

Taken, subscribed and sworn to before me this _____day of _____, 2001.

My commission expires_____.

_____
Notary Public

University of Charleston

By _____
Its Authorized Officer

Taken, subscribed and sworn to before me this _____day of _____, 2001.

My commission expires_____.

_____
Notary Public

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 706-01, as amended, adopted unanimously.

9. Your Committee on Finance has had under consideration Resolution No. 709-01, authorizing the Mayor to enter into a Contract with West Virginia Little League, District Three, for use of the Watt Powell Park Baseball Field, under the terms and conditions set forth in said Contract. The Contract shall be in effect from the date of Council approval and signature of the Little League's representative and terminate on December 31, 2002, and reports the same to Council with the recommendation that the Resolution be adopted, as amended.

A motion was made to amend the Contract, Item 9, following the words "arising from" by inserting in lieu of the words "or during"...; and by striking the words "operation or" and "any concession facilities or any other" and "facilities" and inserting the word "the" before the word "Park"; and Item 12 by striking the word "negligent" and inserting in lieu of the word "negligence"; and following the words "acts by the "by inserting the words "City, the"; and after the words "Little League, by" by striking the word "its" and inserting in lieu of the word "their".

The question being on the adoption of the amendment a vote was taken. There being no dissent the Mayor declared the amendment adopted unanimously.

Resolution No. 709-01, as amended, "Authorizing the Mayor to enter into a Contract with West Virginia Little League, District Three, for use of the Watt Powell Park Baseball Field, under the terms and conditions set forth in said Contract. The Contract shall be in effect from date of Council approval and signature of the Little League's representative and terminate on December 31, 2002."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a Contract with West Virginia Little League, District Three, for use of the Watt Powell Park Baseball Field, under the terms and conditions set forth in said Contract. The Contract shall be in effect from date of Council approval and signature of the Little League's representative and terminate on December 31, 2002."

CONTRACT FOLLOWING

THIS CONTRACT, dated the _____ day of _____, 2001, by and between THE CITY OF CHARLESTON, a municipal corporation, under the laws of the State of West Virginia, acting by and through its duly constituted authority, the Charleston City Council and its Mayor Jay Goldman, hereinafter referred to as "City", and the West Virginia Little League, District Three, (hereinafter, "Little League"), a _____.

WITNESSETH:

That, for and in consideration of the mutual promises and covenants hereinafter provided and the performance thereof by the respective parties hereto, and to promote the maximum utilization of the baseball facility at Watt Powell Park, (hereinafter "Baseball Park" or "Park") it is hereby agreed as follows:

1. The term of this agreement shall be for the period commencing upon City Council approval and signature of the Little League's representative, and terminating on December 31, 2002. The Little League shall notify the City in writing not later than September 30, 2002, if the Little League wishes to negotiate a contract for any additional period following the expiration date of this contract. It should be understood that the City shall not be obligated to contract the use of the subject premises to the Little League after December 31, 2002, but may consider entering into additional contracts.

2. It is understood between the parties that the use of the Baseball Park by the Little League will be limited in that the Baseball Park will be offered for use to the Wheelers Baseball Limited Partnership d/b/a Charleston Alley Cats Professional Baseball Club (hereinafter "Club") for 70 games and all practices in which the Club is a participant, pursuant to the terms of the Contract between the Club and the City, dated the _____ day of _____, 2001.

3. It is further understood between the parties that all scheduling of the Baseball Park will be done by the City and the City will prioritize the use of the field to the following organizations in the following order:

a. Wheelers Baseball Limited Partnership d/b/a Charleston Alley Cats Professional Baseball Club (pursuant to the terms of the contract between the City and the Wheelers dated).

b. University of Charleston (pursuant to the terms of the contract between the City and the University dated).

c. West Virginia Secondary Schools Activities Commission;

d. Little League;

e. All West Virginia public high schools.

4. The City will determine whether the Baseball Park is in playable condition.

5. The City shall permit the Little League, throughout the terms of this contract, to operate all concessions during each annual West Virginia Secondary Schools Activities Commission (WVSSAC) State High School Baseball Tournament, and during each annual State Sectional or Regional Tournament game held at the Park.

6. The Little League in exchange for the City's permission to operate said concession shall pay annually a fee of $1,600 to the West Virginia Secondary Schools Activities Commission (hereinafter, "WVSSAC"). Any net proceeds from the operations of the said concession shall be paid in equal shares to the Little League and the University of Charleston (Baseball restricted fund).

7. The WVSSAC may provide free concession food and beverage to volunteer individuals. During any WVSSAC event, the selling of memorabilia will be prohibited unless approved by the WVASSAC, in advance. Little League shall use the premises for only the playing of baseball games.

8. The City will make the previously described facilities available to the Little League in accordance with this agreement at an annual rental charge of One Dollar, ($1.00), to be paid upon the execution of this contract.

OR DURING

9. The Little League, as demonstrated by its representative's signature herein below, does hereby agree to indemnify, defend, and hold harmless the City against any and all liability and claims for all damages, including attorney fees, made by either party or any third parties, arising from the ~~operation or~~ use of ~~any concession facilities or any other~~ Park ~~facilities~~ by the Little League, or by any of its agents, contractors, or invitees.

THE

10. The Little League agrees to comply, and to assure the compliance by any of its agents or contractors, with all federal, state and local safety, health and other regulatory requirements in the staffing and operations of any concession activities and park activities.

11. The Little League may use the scoreboard at the Baseball Park only with the approval of the Club and only by using an operator who has been trained to use the scoreboard, and has been approved by the Club.

12. The Little League accepts the Baseball Park and all of its related facilities as is, based on the condition of the Park and said facilities as of the date of the execution of this contract. The City shall provide for the general maintenance and upkeep of the premises. The City shall not be responsible, however, for any injuries, repairs or damage directly or proximately caused by ~~negligent~~, intentional acts or other acts by the Little League, by ~~its~~ employees, agents or contractors, or by the Little Leagues' invitees.

NEGLIGENCE,

CITY, [redacted]

THE

THEIR

13. The Little League agrees to keep any portion of the facilities that the Little League utilizes in a clean and sanitary condition and to collect and dispose of refuse from its portion of the Park.

14. The cost of all utilities related to the operation of the Park, including water, sewer, electricity and trash collection shall be paid by the City. The Little League shall pay for its own telephone service or other utilities or services related to the Little League's operation.

15. The Little League will carry general commercial liability and property damage insurance in the amount of one million dollars, ($1,000,000.00), per occurrence, which insurance shall name the City as an additional insured.

16. The City shall retain all income from the parking lot facilities connected with the Park. The Little League agrees to Park the vehicles of its employees, agents, contractors, and invitees in areas designated by the City.

17. In addition to the other requirements of this agreement, the Little League further agrees to the following:

a. That the Little League shall be responsible for all state and local taxes related to its use or occupation of the Park;

b. That the Little League shall provide any ushers or other personnel necessary for the conduct of Little League events;

c. That the Little League shall provide the labor necessary for the application of any tarp used to protect the Park's playing field during inclement weather. Watt Powell Park's Stadium Manager shall designate the appropriate City personnel to assist the Little League with the application of the tarp. The City Manager or his/her designee shall have the authority, on behalf of the City, to approve or disapprove the use of the tarp during all events or game other than the Alley Cats events or games. The Little League and the City Manager or his/her designee will jointly develop guidelines for use of the tarp;

d. That the Little League shall provide adequate in-Park security for all Little League events.

18. The City shall have the right to conduct customer service surveys at the Park during any Little League event.

19. The Little League shall make reasonable audible public address announcements concerning the liability of each invitee patron of the Little League at the beginning of each Little League event.

20. If, during the terms of this contract, the subject premises shall be damaged by fire, the elements, unavoidable accident or other casualty, but are not hereby rendered untenable in whole

or in part, City may, at its sole option, cause such damage to be repaired. In the event a decision is made not to reconstructed the damaged or destroyed premises, this agreement and Little League's use and occupancy of the premises hereunder shall cease as of the date of such occurrence. Unless the parties shall otherwise agree in writing, City shall have the sole claim to any insurance proceeds of any insurance carried on Little League's removable equipment, personal property or other properties of the Lessee located on the leased premises.

21. This contract represents the complete agreement between the City and the Little League, including all conditions, understandings, representations and warranties made between these parties, with respect to the use of the Park by the Little League, and may not be modified orally or in any other manner than by agreement, in writing, signed by both parties hereto, or their respective successor in interest. This contract is not assignable in whole or in part without the prior written consent of the City. If any covenant is breached, this contract is immediately terminated.

IN WITNESS WHEREOF, the City has caused its name to be signed through its Mayor thereunto duly authorized and attested to by its Clerk, and the Little League has caused its name to be signed by its officer thereunto duly authorized in triplicate counterparts as of the day and year first written above.

ATTEST:

THE CITY OF CHARLESTON
a municipal corporation,

_____
City Clerk

By _____
Its Mayor

Taken, subscribed and sworn to before me this _____day of _____, 2001.

My commission expires_____.

_____
Notary Public

West Virginia Little League, District Three
By_____
Its Authorized Officer

Taken, subscribed and sworn to before me this _____day of _____, 2001.

My commission expires_____.

_____
Notary Public

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 709-01, as amended, adopted unanimously.

10. Your Committee on Finance has had under consideration Resolution No. 710-01, authorizing the Finance Director to allocate funds in the amount of $13,000 for a HOME Program project located on the City's West Side; To be charged to Account No. 30-098-00-005, HOME Program-Acquisition of Property, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 710-01-"Authorizing the Finance Director to allocate funds in the amount of $13,000 for a HOME Program project located on the City's West Side."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Finance Director is hereby authorized and directed to allocate funds in the amount of Thirteen Thousand Dollars ($13,000) for a HOME Program project located on the City's West Side.

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-27, nays-0, absent-0, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: None.

With a majority of all members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 710-01 adopted unanimously.

11. Your Committee on Finance has had under consideration Bill No.6766, authorizing the issuance by The City of Charleston of not to exceed $17,500,000 in aggregate principal amount of The City of Charleston, West Virginia, Taxable Variable Rate Demand Bonds (Kanawha Hotel Project), 2001 Series A, to finance the acquisition, renovation, construction and equipping of the Kanawha Hotel and the loaning of the proceeds thereof to Kanawha Hotel LLC and to pay other costs in connection therewith, all as more fully set out herein; authorizing the execution and delivery of a Bond Indenture, a Loan Agreement and other documents relating to the transaction; ratifying the distribution of an Official Statement relating to such Bonds; authorizing the sale of the Bonds; appointing the Trustee, Paying Agent and Registrar of the Bonds; and taking other actions in connection with the issuance and sale of such Bonds, and reports the same to Council with the recommendation that the Bill do pass.

Bill No. 6766

Ordinance No. 6766

Introduced in Council

December 18, 2000

Introduced by

Larry L. Roller &

Bobby Reishman

Passed by Council

March 5, 2001

Referred to

Council Committee on Finance

Ordinance No. 6766 Authorizing the issuance by The City of Charleston of not to exceed $17,500,000 in aggregate principal amount of The City of Charleston (West Virginia) Taxable Variable Rate Demand Bonds (Kanawha Hotel Project), 2001 Series A, to finance the acquisition, renovation, construction and equipping of the Kanawha Hotel and the loaning of the proceeds thereof to Kanawha Hotel LLC and to pay other costs in connection therewith, all as more fully set out herein; authorizing the execution and delivery of a Bond Indenture, a Loan Agreement and other documents relating to the transaction; ratifying the distribution of an Official Statement relating to such bonds; authorizing the sale of the bonds; appointing the Trustee, Paying Agent and Registrar of the Bonds; and taking other actions in connection with the issuance and sale of such Bonds.

WHEREAS, The City of Charleston (the "City") is authorized and empowered by law, including particularly the provisions of the Industrial Development and Commercial Development Bond Act (Chapter 13, Article 2C, of the Code of West Virginia, 1931, as amended)(the "Act"), for the public purposes set forth in the Act, to issue its revenue for the purposes, among other things of acquiring, constructing, equipping, any buildings, improvements, additions, extensions, replacements, appurtenances, lands, equipment, furnishings, landscaping, hotels and motels and related facilities of any type for which the City is permitted by law to expend funds; of making secured or unsecured loans to provide funds for the acquisition, by purchase, construction, lease or otherwise, of any such project or projects; to issue revenue bonds for the purpose of defraying the cost of acquisition, by construction, purchase, lease or otherwise for the project and to secure the payment of such bonds; and to issue and deliver revenue bonds in exchange for the project; and

WHEREAS, Kanawha Hotel LLC ("Kanawha") has advised the City that it has under consideration the acquisition, renovation, construction and equipping of the Kanawha Hotel located in downtown Charleston, West Virginia, which is more generally described in Exhibit A hereto (the "Project"), and has requested the City to authorize the issuance and sale of industrial development revenue bonds (the "Bonds") pursuant to the Act in such amounts as

may be necessary to finance a portion of the costs of the Project presently estimated to be not more than $17,500,000 (estimates project cost of $31,000,000); and

WHEREAS, the City has determined that the acquisition, renovation, construction and equipping of the Project and the issuance of the Bonds to finance a portion of such acquisition, renovation, construction and equipping of the Project are in the best interests of the citizens of the City of Charleston and encourages the economic development of the City and the State of West Virginia; and

WHEREAS, it is hereby further found and determined that the site of the Project is located entirely within the City's legal boundaries; and

WHEREAS, the City shall assist Kanawha in the acquisition, renovation, construction and equipping of the Project by authorizing the issuance of the Bonds in one or more series in an aggregate amount necessary to finance a portion of the costs of the Project, but not to exceed $17,500,000;

WHEREAS, the City has been presented with the proposed form of a Bond Trust Indenture, a Loan Agreement and certain other documents in connection with the Bonds; and the City, including the Mayor and the Clerk of the City, will cooperate with Kanawha, and such parties as Kanawha may select for the purpose of assisting or participating in the sale of the Bonds on the best terms reasonably obtainable, and if arrangements therefore satisfactory to Kanawha can be made, the City shall take such further actions as may be necessary or advisable to the authorization, issuance and sale of the Bonds, all as shall be authorized by law and mutually satisfactory to the City and Kanawha;; and

WHEREAS, it is necessary to establish the principal and the interest rate on the Bonds and to designate the trustee, paying agent and registrar for the Bonds.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CHARLESTON, WEST VIRGINIA:

Section 1. Findings and Determinations. The City specifically finds and determines as follows:

(a) This Ordinance is adopted pursuant to and in accordance with the provisions of the Act, and the Bonds shall be issued pursuant to the Act.

(b) That the purposes for issuing the Bonds include, among other things, acquiring, constructing and equipping the Project.

(c) It is necessary to have a meeting for the purpose of having a public hearing upon the adoption of this Ordinance.

(d) The abstract of this Ordinance and the form of the notice attached to this Ordinance as Exhibit A and made a part of this Ordinance as though set

forth in full herein contains sufficient information as to give notice of the contents of this Ordinance.

Section 2. Authorization of Bonds. The City hereby authorizes and directs the issuance of not to exceed $17,500,000 in aggregate principal amount of The City of Charleston (West Virginia) Taxable Variable Rate Demand Bonds (Kanawha Hotel Project), 2001 Series A, subject to the provisions of this Bond Ordinance and the Bond Trust Indenture (the "Indenture") hereinafter described. The Bonds shall be in the principal amount, bear interest, mature and be subject to redemption, all as set forth in the Indenture. The form of the Bonds and the provisions for signatures, payment and redemption shall be as set forth in the Indenture.

Section 3. Security. The Bonds shall be secured by the pledge effected by the Indenture and shall be payable from and secured by a pledge of the Loan Agreement and any other property or funds described in the Indenture including a first lien on the Project and on the revenue guaranteed by the Project. The Bonds and the premium, if any, and interest thereon are limited obligations of the City and are payable solely from the revenues and funds derived pursuant to the Loan Agreement, which revenues, funds and security have been pledged and assigned to the Trustee to secure payment of the Bonds, and any other amounts held under the Indenture. The Bonds and the premium, if any, and the interest thereon shall never constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation; shall never constitute or give rise to a pecuniary liability of the City or a charge against the general credit or taxing power of the City; and, shall never give any right against any member of the City Council.

Section 4. Documents. The City hereby specifically approves the following documents for the Bonds, the proposed forms of which will be presented with the Supplemental Resolution:

(a) the Indenture;

(b) the Purchase Contract;

(c) the Loan Agreement;

(d) the Letter of Credit Commitment;

(e) the Re-Marketing Agreement; and

(f) the Official Statement;

The Mayor and City Clerk are hereby authorized and directed to execute and deliver such documents with such changes, insertions and omissions as may be approved by the City whose execution thereof shall be conclusive evidence of such approval, and the Clerk of the City is hereby authorized and empowered to affix the seal of the City and to attest to the same for and on behalf of the City. The Mayor and the City Clerk, as appropriate, are hereby

authorized to take any action, execute, acknowledge and deliver any certificates, instruments or documents or give any consent which may from time to time be required by the City under any of the aforesaid documents or this Ordinance. Any such action taken or document executed or consent given by such officer in his or her capacity shall be deemed to be an act by the City and any such action, execution or consent shall be conclusive evidence that the same is authorized by this Ordinance.

Section 5. Execution and Delivery of the Bonds. The Bonds shall be executed and delivered in accordance with the provisions of the Indenture and shall be delivered to the Purchasers.

Section 6. Trustee. United National Bank, Charleston, West Virginia, is hereby appointed as Trustee under the Indenture.

Section 7. Notice. The City Clerk shall cause an abstract of the Ordinance with notice in substantially the form of Exhibit A attached hereto and incorporated in this Ordinance by reference to be published once a week for two successive weeks in the *Charleston Gazette* and *The Daily Mail*. The public hearing shall be held at the time established following adoption of the Ordinance, in Council Chambers, in City Hall, Charleston, West Virginia.

Section 8. Official Statement. Upon the sale of the Bonds, the Mayor is hereby authorized and directed to execute and deliver final official statements on behalf of the City, which shall be in substantially the form of the Preliminary Official Statement authorized hereby, with such changes, insertions and omissions as may be required to reflect the terms of the sale of the Bonds (the "Official Statement"). The execution of the Official Statement by the Mayor shall be conclusive evidence of such approval. Copies of the Official Statement are hereby authorized to be prepared and furnished to the Underwriter for distribution.

Section 9. Statutory Mortgage Lien. The City hereby waives the statutory mortgage lien provided by Section 8, Article 2C, Chapter 13 of the Code of West Virginia, 1931, as amended.

Section 10. Effective Date. This Ordinance shall go into effect immediately after the hearing thereon described in Section 7, above. Provided, however, that if at such hearing the City determines that sufficient objections or suggestions have been raised, or that 30% or more of the freeholders of the City have filed written protests with respect to the financing provided for in this Ordinance, the City shall take such further action with respect to this Ordinance as it deems appropriate and in accordance with the Act.

First Reading: _____
Second Reading: _____
Public Hearing: _____

EXHIBIT A

PROJECT DESCRIPTION

The Project consists of the acquisition, renovation, construction and equipping a 146 room hotel, plus a restaurant, tavern, reception lobby, meeting rooms and spa, and will include a new entrance to accommodate vehicular traffic and an eight story tower. The new entrance and tower will provide direct access from the vehicular entrance to the historic reception lobby and the hotel restaurant in the adjacent KB&T Center and Renaissance Tower. The rehabilitation of the Kanawha Hotel was planned in conjunction with the development of KB&T Center and Renaissance Tower.

ABSTRACT OF ORDINANCE AND
NOTICE OF PUBLIC HEARING ON _____

Notice is hereby given that on _____, 2001, at _____ p.m., prevailing local time, a public hearing will be held in the City Council Chambers, City Building, Charleston, West Virginia, at which time and place all parties of interest may appear before The City of Charleston (the "City") and be heard as to whether the following described Ordinance adopted by the City Council shall be put into effect:

Notice is further given that on _____, 2001, the City adopted an Ordinance ordering the issuance of not to exceed $17,500,000 in aggregate principal amount of The City of Charleston (West Virginia) Taxable Variable Rate Demand Bonds (Kanawha Hotel Project), 2001 Series A (the "Bonds") to finance a portion of the acquisition, renovation, construction and equipping of the Kanawha Hotel Project.

The Bonds shall be secured by the pledge effected by the Indenture and shall be payable from and secured by a pledge of the Loan Agreement and any other property or funds described in the Indenture. The Ordinance further provides for a Bond Indenture to be entered into by the City by which the City will assign to the Trustee for the benefit of the owners of the Bonds as the right to receive revenues and other payments under the Loan Agreement to the City and said Trustee will deliver the Bonds and receive in trust the purchase price therefor.

A certified copy of the Ordinance is on file for review by interested persons during regular office hours in the office of the City Clerk, City Hall, Charleston, West Virginia.

_____
City Clerk

The question being on the passage of the Bill a roll call was taken and there were: yeas-23, nays-0, absent-0, abstentions-4, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, David Lanham, James Lanham, Lopez, McKnight, Molgaard, Morton, Nielsen, Pettry, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: None.

ABSTAIN: Lane, Loeb, Markham, and Prunty.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Bill No. 6766 passed unanimously.

12. Your Committee on Finance has had under consideration bid submitted by Furniture Solutions, in the amount of $4,931.52, for purchase of office furnishings for the Mayor's Office of Economic and Community Development; To be charged to the following accounts:
$2,465.76 - 25-000-00-001, CDBG–Administration
$2,465.76 - 30-000-00-001, HOME Program–Administration, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a roll call was taken and there were; yeas-26, nays-1, absent-0, as follows:

YEAS: Charnock, Crickenberger, Davis, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: Fouty-Young.

ABSENT: None.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared the committee report adopted.

13. Your Committee on Finance has had under consideration bid submitted by Unisource, in the amount of $9,861.32, for purchase of an automatic scrubber to be utilized at the Civic Center; To be charged to Account No. 81-910-01-000-4-059, Civic Center–Capital Outlay, Equipment, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent, with the exception of Fouty-Young, the Mayor declared the committee report adopted.

14. Your Committee on Finance has had under consideration proposal submitted by Bert Wolfe Ford, in the amount of $3,500, for a replacement engine to be installed in a vehicle used by the MDENT Unit of the Police Department; To be charged to Account No. 29-173-0-0-2-017, Police, MDENT–Maintenance & Repair, Auto/Truck, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

15. Your Committee on Finance has had under consideration to repeal the purchase of a vehicle from Stephens Auto Sales, in the amount of $9,176 (total cost of $16,676, less $7,500 for trade-in of seven units), to replace the unit currently used by the Dunbar officer assigned to the MDENT Unit, and to be titled to the City of Dunbar. The Police Department has been informed that this vehicle is unavailable; To be charged to Account No. 29-173-0-0-4-59, Police MDENT-Capital Outlay, Equipment, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

16. Your Committee on Finance has had under consideration proposal submitted by Stephens Auto Sales, in the amount of $9,133 (total cost of $16,633, less $7,500 for trade-in of seven units), for purchase of a new vehicle to replace the unit currently used by the Dunbar officer assigned to the MDENT Unit. The new vehicle will be titled to the City of Dunbar; To be charged to Account No. 29-173-0-0-4-59, Police MDENT-Capital Outlay, Equipment, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

17. Your Committee on Finance has had under consideration proposal submitted by Signs and Blanks, Inc., in the amount of $2,793.08, for materials to be used in the Traffic Engineering Sign Shop; To be charged to Account No. 01-712-0-0-3-041, Traffic Engineering-Materials and Supplies, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

18. Your Committee on Finance has had under consideration payment of an invoice from HOPE Community Development Corporation, in the amount of $6,230, for reimbursement of salary expenses for a Mentoring Program Coordinator for the period September through December 2000; To be charged to Account No. 39-180-00-0-0-03, Police-Juvenile Accountability Award Block Grant (JAIBG), and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

19. Your Committee on Finance has had under consideration payment of an invoice from Daymark, Inc., in the amount of $6,230, for reimbursement of salary related expenses for an Awake Night Coordinator for the period July through November 2000; To be charged to Account No. 39-180-00-0-0-03, Police–Juvenile Accountability Award Block Grant (JAIBG), and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

20. Your Committee on Finance has had under consideration payment of an invoice from Thyssen Dover Elevator, in the amount of $4,236.78, for maintenance contracts to service the elevators in the six Municipal Parking Buildings for the month of February 2001; To be charged to Account No. 85-571-0-0-2-030, Parking System–Contracted Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

21. Your Committee on Finance has had under consideration payment of an invoice from the YWCA/Child Enrichment Center, in the amount of $2,005.83, for January 2001 operational expenses; To be charged to Account No. 25-000-00-011, CDBG–Public Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Loeb.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared the committee report adopted unanimously.

22. Your Committee on Finance has had under consideration payment of an invoice from Charleston Lincoln-Mercury, in the amount of $3,185.85, for repairs made to a 1990 Chevrolet Blazer, damaged in a single car crash on MacCorkle Avenue; To be charged to Account No. 01-700-0-0-2-017, Police–Maintenance & Repairs, Auto/Truck, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

23. Your Committee on Finance has had under consideration payment of an invoice from Bell & Bands, PLLC, in the amount of $3,238.37, for professional services rendered from November 30, 2000 to January 19, 2001, regarding Motion to Dissolve City of Charleston Charter, B&B #90341; To be charged to Account No. 01-417-0-0-2-023, Legal Department–Professional Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

24. Your Committee on Finance has had under consideration payment of an invoice from Spilman, Thomas and Battle, PLLC, in the amount of $1,767.25, for professional services rendered from November 22, 2000 to January 8, 2001, regarding the Danner Hollow Park and Soccer Area; To be charged to Account No. 01-417-0-0-2-023, Legal Department–Professional Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent, with Davis abstaining, the Mayor declared the committee report adopted unanimously.

25. Your Committee on Finance has had under consideration payment of an invoice from Jackson & Kelly PLLC, in the amount of $2,658.69, for professional services rendered from December 8, 2000 to December 27, 2000, regarding Police Civil Service Commission (John Goff); To be charged to Account No. 01-417-0-0-2-023, Legal Department–Professional Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent, with Loeb and Prunty abstaining, the Mayor declared the committee report adopted unanimously.

26. Your Committee on Finance has had under consideration payment of an invoice from Bowles, Rice, McDavid, Graff & Love, in the amount of $1,600.49, for professional services rendered from January 11, 2001 to January 31, 2001, regarding Laura Manns v. City of Charleston Pepper Spray Complaint; To be charged to Account No. 01-417-0-0-2-023, Legal Department–Professional Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent, with Lane, Loeb, and Markham abstaining, the Mayor declared the committee report adopted unanimously.

REPORTS OF OFFICERS

1. Municipal Court Financial Information for February, 2001; Received and Filed.

2. City of Charleston Payroll Variance Analysis February, 2001; Received and Filed.

NEW BILLS

Introduced by Councilwoman Linda Nielsen on March 5, 2001:
BILL NO. 6776, a Bill amending the Comprehensive Plan for the City of Charleston, Kanawha County, West Virginia, pursuant to Chapter 8, Article 24, of the West Virginia Code 1931, as amended, said amended Vandalia/Woodland Terrace Neighborhood Revitalization Plan being for the general purpose of guiding and accomplishing a coordinated, adjusted and harmonious development of the Vandalia/Woodland Terrace Neighborhood and to promote the health, safety, morals, order, convenience, prosperity and general welfare of the inhabitants covered by the plan and calling for a public hearing thereon;
Refer to Municipal Planning Commission

Introduced by Councilman Larry Roller on March 5, 2001:
BILL NO. 6777, a Bill supplementing Ordinance No. 4828 passed by the Council of The City of Charleston, West Virginia, on April 20, 1992, as supplemented by Ordinances No. 4954, No. 6276, No. 6349, No. 6532 and No. 6544, which authorized the acquisition and construction of certain extensions, additions, betterments and improvements to the sewerage system of The City of Charleston; authorizing the merger of the assets of the Guthrie Public Service District into the sewerage system of the City; authorizing the assumption of certain debt of the Guthrie Public Service District; authorizing the issuance of not more than $855,000 in aggregate principal amount of Sewerage System Revenue Bonds, in two or more series as may be required, of said The City of Charleston to be used, along with other funds and moneys of, or available to, The City of Charleston which may be lawfully expended for such purposes, to evidence the assumption of said debt; providing for the rights and remedies of and security for the holders of such bonds; and adopting other provisions related thereto;
Refer to Council Committee on Finance

Introduced by Councilman Jim Harris on March 5, 2001:
BILL NO. 6778, a Bill to establish a No Parking on Pavement Tow-Away zone on High Meadow Drive and amending the Traffic Control Map and Traffic Control File, established by the Code of the City of Charleston, West Virginia, one thousand nine hundred seventy-five, as amended, Traffic Law, Chapter thirty-one, Article three, to conform therewith;
Refer to Council Committee on Streets and Traffic

Introduced by Councilwoman Mary Jane Lopez on March 5, 2001:
BILL NO. 6779, a Bill proposing an amendment to the Charter of the City of Charleston to eliminate Council At-Large seats, directing the Clerk to publish a legal advertisement regarding the proposed amendment and establishing a date for a public hearing on the proposed amendment;
Refer to Council Committee on Ordinance and Rules

March 3, 2001

Vandalia Recreation Center

We, the former and current residents, as well as concerned citizens, respectfully request your assistance, guidance and cooperation in keeping the Vandalia Recreation Center open and available for use by adults and children in this community and any other community wanting to use it as an option and a right.

All signatures listed below have given consent and are in 100% agreement of keeping the Vandalia Recreation Center open.

Name	Address	Telephone #
Iwin Lee	441 Greenway Ave	766-8145
Carl Lee III	Stongate	757-3939
Charles F Cole Jr	Rt 2 / Box 307F Chas WV	345-8694
Joe Dowell	1437 Spring St Chas WV	304.744.0744
Shelley Morris	1609 Mountain Rd.	744-4046
Antonia Moss	1601 Mt Rd	744-2890
Jessie Mitchell	Mt. Rd.	
Richard Bolan	Mt Rd	
Martha O Sanders	1306 Mountain Rd	7446759
Jeanne B Dunlap	"	744-2759
Frances McElrath	607½ Rocklake Dr. Bt So Chas	766-8139
Carrie Erby	711 Hall St.	343-7701
Vianis Russell	Chas. WVa	346-3364
Dana Dorcas	714 Sixth St. St. Albans	
Marvin Hicks	709-B Pearl Dr. Chas. WV	342-2186
Carmella Burs	142 Dally St Chas WV	343-7678
Deadra Jackson	224 Werty Ave	342-5312
Ruby Chappell	1539 Pinewood Pk, Dunbar St. V	768-5818
Donald J. Worthy	1012 Circle Rd. Chas WV	346-7028
W M Tallis	Mt Road	
James Bruer	1418 Mountain Rd.	744-0604
Stephanie Bruer	1418 Mountain Rd	744-0604
Margaret Bruer	1418 Mountain Rd.	744-0604

Name	Address	Telephone #
Dorothy Price	1402 Mt. Rd.	744-3579
Dwayne Price	1402 Mt. Rd -	Same
James Woods	Mt Road	
[illegible]	Mt Road	
[illegible] Russell Sr	1326 Mt Rd	
Don Staples JR	1339 Mt Rd	744-2379
Calvin Belle	1133 Mt Rd	925-1639
John R. Bare Sr	1117 Mt. Rd.	342-0444
Fred W. Pleans	1109 Mountain Rd	342-5032
Robert Holley	1041 Mountain Rd	342-3935
Merry Holley	1041 Mountain Rd.	342-3935
Brian Booth	1037 Mountain Rd	
Angela Booth	1037 Mountain Rd	
Steve Meadows	1035 Mountain Rd	343-1355
William Taylor	1026 Mountain Rd	345-2245
Shirley Taylor	1026 Mountain Rd	"
Bryce Peterson	1021 MTN RD	344-1342
[illegible]	767 Dawerton Rd	[illegible]
[illegible]	724 Dawerton Rd	
Michael [illegible]	2001 Bow	
[illegible]		
Jim Willis		
Helen Buzzard	1507 Dorchester Rd 38	768-8123
Nikki Parker	1507 Dorchester Rd.	
Joella Belcher	42 Dorchester Rd.	
[illegible]	48 Dorchester Rd.	
Staci Mullins	38 Dorchester	
Jeffrey P. Booth	1135½ Troy Rd.	

Vandalia Recreation Center

We, the former and current residents, as well as concerned citizens, respectfully request your assistance, guidance and cooperation in keeping the Vandalia Recreation Center open and available for use by adults and children in this community and any other community wanting to use it as an option and a right.

All signatures listed below have given consent and are in 100% agreement of keeping the Vandalia Recreation Center open.

Name	Address	Telephone #
Sylvester Moore	Chas. WVA	304-768-4326
John L Carr	609 Silver St Charleston	3432241
Tony Badger	Charleston	3432241
Cyn Carr	Charleston	3432241
Loretta Miller	610 Silver St Charleston	7448657
Herbert Harmon	Charleston	7443059
Robert Hutcherson	1219 Mountain Ave	346 0734
Bill Poore	89 Dorchester Rd	744-5102
Marcus Lee	509 Thompson Street	345-3380
Michael Harmon	1128 Mountain Rd.	346-1971
Lee Harmon	1128 Mountain Rd.	346-1971
Bradon Hutcherson	Charleston	346-0734
Loretta H Carr	Charleston	3432241
Darol Densen	Charleston	3432241
Freda Dawson	1128 Mountain Road	346-1971
Denise Barrett	307 Delaware Ave Hpt A	344-9176
Etta Bennett	Chas	3432241
Callie Bennett	Chas	3432241
Betty Bennett	Chas	3432241
Sallie Bennett	Chas	3432241
Linda Bennett	Chas	3432241
Virginia Galloway	Chas	
Sylvia Tyler	Chas	
Charles Cole	Chas	

Name	Address	Telephone #
Larry More	Chas	
Louis Ponderter	Chas	768-4640
Deb Moore	Chas	
Tom Mack	Chas	
Virginia Ponderter	Chas	
Janen Booker	Chas	
Evelyn Collins	Chas	768-1509
Frances Pizzo		768-8195
Durrell Pizzo		
Susan D. Reynolds	Chas.	
Brandon R. Hutcherson	Chas	
Shannon Brown	Chas	
Jessica Simmons	Chas	
James F. Daniels	Chas	
Timothy Haynes	Chas	342-0772
Lester Haynes	Charleston	342-0772
Scott [illegible]	Charleston	N/A
[illegible]	Charleston	K/K
Richard A. [illegible]	Charleston	539-5080
Burton [illegible]	Charleston	344-1468
Leslie Slater	Charleston	344-1468
Nelson E. Brown	Charleston	
[illegible]	So. Charleston	744-[illegible]
[illegible]	Charleston	744-7016
Yvonne Estes	So. Charleston	744-4266
Tony Greene	Chas	744-7016
Stacey Greene	Chas	744-7016
Cedric Greene	Chas	744-7016
Morris Greene	Chas	744-7016
Tammy Jeffries	Charleston	744-6324
Jackie [illegible]	Dunbar	766-2418
Clarence Kennedy	Dunbar	
Matt Jackson	Charleston	3465527
Leonel Wash-	Chas	344-0773

Vandalia Recreation Center

We, the former and current residents, as well as concerned citizens, respectfully request your assistance, guidance and cooperation in keeping the Vandalia Recreation Center open and available for use by adults and children in this community and any other community wanting to use it as an option and a right.

All signatures listed below have given consent and are in 100% agreement of keeping the Vandalia Recreation Center open.

Name	Address	Telephone #
[illegible]	130[illegible] Mtn Rd	343-[illegible]
Michael Lady	13[illegible] Mtn Rd	342-7751
[illegible]	13[illegible] Mtn Rd	
[illegible]		
[illegible]	[illegible] Jakes St Chas	[illegible]
[illegible]	618 Jakes St Chas	
[illegible]	618 Jakes St Chas	345-6966
[illegible]	618 Jakes St Chas	345-6966
[illegible]	618 Jakes St Chas	345-6966
[illegible]	607 Jakes Stu Chas	3441685
[illegible]	607 Jakes Street Chas	3441685
[illegible]	[illegible] Jakes St Chas	[illegible]
[illegible]	[illegible] Jakes St Chas	[illegible]
[illegible]	1106 Mountain Rd	342-0772
[illegible]	1108 Mountain Rd	
[illegible]	1108 Mountain Rd	
Jenny Walls	1103 Mountain Rd	346-2281
[illegible]	[illegible] Dorchester Rd	744-[illegible]
[illegible]	14[illegible] Dorchester Rd	744-[illegible]
[illegible]	14[illegible] Dorchester Rd	744-[illegible]
Reba Collins	154 Dorchester Rd	744-4005
Angel Collins	154 Dorchester Rd	744-4005
[illegible]	1222 Cottontree Rd [illegible]	548-[illegible]
[illegible]	[illegible] Dorchester Rd #164	746-[illegible]

Name	Address	Telephone #
Tammy Hawkins	1507 Dorchester Rd #164	746-1155
Emmy Naxelley	1507 Dorchester Rd. # 71	
Trinity England		

Vandalia Recreation Center

We, the former and current residents, as well as concerned citizens, respectfully request your assistance, guidance and cooperation in keeping the Vandalia Recreation Center open and available for use by adults and children in this community and any other community wanting to use it as an option and a right.

All signatures listed below have given consent and are in 100% agreement of keeping the Vandalia Recreation Center open.

Name	Address	Telephone #
Inez Boddy	1323 Mtn. Rd	744-4359
[illegible] Boddy	1323 Mtn. Rd	744-4389
[illegible]	2350 Adams Ave St Albans	724-5715
[illegible]	120 Wilson Way	
[illegible]	1108 Mountain Rd	
[illegible]	1103 Mt. Rd	346-2281
[illegible]	702 Daverton Rd	3430603
[illegible]	1027 Mountain Rd	343-7257
Becky Kidd	1025 Mountain Rd	346-1233
[illegible]	1025 Mountain Rd	346-1233
[illegible]	1021 " "	344-7342
[illegible]	717 Daverton Rd	3430930
Douglas Barley	722 Daverton Rd	3462186
[illegible]	120 Dorchester Rd	744-3585
[illegible]	1507 Dorchester RD #102	722-3906
William E. [illegible]	1507 Dorchester RD # 102	965-5751
[illegible]	89 Dorchester Rd	744-5102
[illegible]	85 Dorchester Rd	746-6376

Name	Address	Telephone #

Vandalia Recreation Center

We, the former and current residents, as well as concerned citizens, respectfully request your assistance, guidance and cooperation in keeping the Vandalia Recreation Center open and available for use by adults and children in this community and any other community wanting to use it as an option and a right.

All signatures listed below have given consent and are in 100% agreement of keeping the Vandalia Recreation Center open.

Name	Address	Telephone #
Donna Mayfield	605 Gilmer Rd - Chas	744-5804
Maurell Schofield	1433 Mountain RD. S. Chas	746-0299
Angela Mayfield	409½ Park Dr. Dunbar WV	766-8060
Terrell Evans	606 Gilmer Rd. S. Chas	744-1278
Jenny Hatcher	703 Carroll St #58 Chas.	543-2608
Theresia Smith	1433½ Mountain Rd S Chas.	746-0299
Anthony Mayfield	" "	746-0299
Jonathan Schofield	" "	746-0299
Mo Betty Hamm	603 Gilmer Rd. So. Chas	744-5807
Tony Brown	408½ Park Dr. Dunbar	766-8060
Pat Wilcox	443 22nd Street, Dunbar WV	766-8422
Sheila Meadows	1507 Mountain Rd. So. Chas WV	744-5010
Ricky Dunbar	" "	744-5010
Ricky Dunbar Jr	" "	744-5010
Kashawn Dunbar Jr.	" "	744-5010
Simone Dunbar	" "	744-5010
Cheyenne Dunbar	" "	744-5010
Rashida Mayfield	5608 Thorn Rose Rd. Roanoke	265-4555
Jason Mayfield	" " "	"
Rachel Hee	618 Amber Road - S. Chas	744-5215
Tana Schofield	1431 Mountain Rd. So. Chas.	746-0299

Introduced by Councilman Larry Roller on March 5, 2001:
BILL NO. 6780, authorizing the issuance by The City of Charleston of not to exceed $3,500,000 in aggregate principal amount of The City of Charleston Community Revenue Bonds (Family Enrichment Center Project), Series 2001, to finance a portion of the costs of the acquisition of real property and the reconstruction, improvement and equipment thereon of a family enrichment center and the loan of the proceeds thereof to Community Council of West Virginia, Inc., or any successor thereto, all as more fully set out herein; authorizing the execution and delivery of a Bond Trust Indenture, a Loan Agreement and other documents relating to the transaction; authorizing the sale of the bonds; appointing a trustee for the bonds; setting a public hearing with respect to such bonds and such family enrichment center; and taking other actions in connection with the issuance and sale of such bonds and such transaction;
Refer to Council Committee on Finance

UNFINISHED BUSINESS

Councilman Patrick Jones' birthday is on the 17th.

CDBG Block Grant proposal has been placed on Council's desk for review

Councilwoman Linda Nielsen submitted a Petition to the City Clerk from 175 persons requesting the Vandalia Recreation Center stay open. Councilwoman Nielsen requested the Petition become part of the Minutes of Council.

Councilman Larry Roller requested Resolution No. 694-01 be withdrawn. The Mayor declared said Resolution withdrawn.

At 8:30 p.m., on motion of Councilman Loeb, Council adjourned until Monday, March 19, 2001.

Jay Goldman, Honorable Mayor

James M. Reishman, City Clerk

CERTIFICATE OF AUTHENTICITY

I, the undersigned City Clerk of the City of Charleston, do hereby certify that the foregoing is a true, correct and complete copy of Second Reading on Bill No. 6777, enacted by the Charleston City Council on March 19, 2001.

Witness the signature of the undersigned City Clerk of the City of Charleston, West Virginia, and the seal of said City, this 24th day of April, 2001.

Seal

James M. Reishman, City Clerk

JOURNAL

OF THE

COUNCIL

CITY OF CHARLESTON

WEST VIRGINIA

MARCH 19, 2001

THE COUNCIL MET IN CHAMBERS OF THE CITY BUILDING AT 7:00 P.M., FOR THE SECOND MEETING IN THE MONTH OF MARCH, ON THE 19TH DAY, IN THE YEAR 2001, AND WAS CALLED TO ORDER BY THE HONORABLE MAYOR, JAY GOLDMAN.

PRAYER WAS OFFERED BY KENNETH MCKNIGHT, WARD 4 COUNCIL.

THE CLERK CALLED THE ROLL AND THE FOLLOWING MEMBERS ANSWERED TO THEIR NAMES:

CHARNOCK
CRICKENBERGER
DAVIS
FOUTY-YOUNG
HAAS
HARRIS

JONES

KNAUFF

LANE
DAVID LANHAM
JAMES LANHAM
LOEB
LOPEZ
MARKHAM
MCKNIGHT
MOLGAARD
MORTON
NIELSEN

PETTRY
PRUNTY
QUICK
REISHMAN
ROLLER
TALKINGTON
MAYOR GOLDMAN

TWENTY-FIVE MEMBERS BEING PRESENT, WITH HENRY AND KIMBERLING ABSENT, THE MAYOR DECLARED A QUORUM.

PENDING THE READING OF THE JOURNAL OF THE PREVIOUS MEETING, THE READING THEREOF WAS DISPENSED WITH AND THE SAME DULY APPROVED.

MARCH 19, 2001 SECOND MEETING

PUBLIC HEARING

Mayor Goldman stated the following:

"Pursuant to the provisions of the West Virginia Code, Chapter 8-19, and 16-13-6, and after duly being advertised as required on March 7th and 14th, I now declare the floor open for a Public Hearing on Bill No. 6766."

"The Chair sees no one from the public. The Chair hears no one from the public. The Chair declares the Public hearing closed."

PUBLIC SPEAKERS

1. Bobbie Tolliver

CLAIMS

1. A Claim of Mareda N. Gardner; 211 Sunset Drive, Charleston, WV; alleges damages to vehicle; Referred to City Solicitor.

2. A Claim of Michael L. West; 1922 Orchard Avenue, Belle, WV; alleges personal injury; Referred to City Solicitor.

3. A Claim of Barbara P. Thomas; 215 Green Street, Charleston, WV; alleges damage to vehicle; Referred to City Solicitor.

4. A Claim of Dorothy E. Garred; 806 Hamilton Circle, Charleston, WV; alleges damage to property; Referred to City Solicitor.

COMMUNICATIONS

MUNICIPAL PLANNING COMMISSION

March 9, 2001

Honorable J. Crawford Goldman
and Members of City Council
Charleston, WV 25301

Dear Mayor Goldman and Councilmembers:

On March 7, 2001, the Municipal Planning Commission held public hearings and its regular monthly meeting. The following cases were heard by the Commission.

Bill No. 6776, a Bill amending the Comprehensive Plan for the City of Charleston, West

Virginia pursuant to Chapter 8, Article 42, of the West Virginia Code 1931, as amended, said amended Vandalia/Woodland Terrace Neighborhood Revitalization Plan being for the general purpose of guiding and accomplishing a coordinated, adjusted and harmonious development of the Vandalia/Woodland Terrace Neighborhood.

Request for acceptance and dedication of Brewster Street - Application of Sharen & Robert Deitz for the acceptance and dedication of Brewster Street.

The above cases should be referred to the Planning Committee of Council.

Sincerely,
MUNICIPAL PLANNING COMMISSION
/s/ Phyllis White
Phyllis White, Administrative Assistant

Mayor Goldman referred cases to the Council Committee on Planning.

REPORTS OF STANDING COMMITTEES

FINANCE

Councilman Larry Roller, Chairman of the Council Committee on Finance, submitted the following reports.

1. Your Committee on Finance has had under consideration Resolution No. 711-01, authorizing the Mayor to enter into a unit price contract with Jimmy Dunn Excavating Company, in the approximate amount of $103,999.99, for the Barton Street Sewer Improvements Project; To be charged to Account No. 25-098-00-027, CDBG-Flood Drain, Barton Street, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 711-01-"Authorizing the Mayor to enter into a unit price contract with Jimmy Dunn Excavating Company, in the approximate amount of $103,999.99, for the Barton Street Sewer Improvements Project."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a unit price contract with Jimmy Dunn Excavating Company, in the approximate amount of One Hundred Three Thousand Nine Hundred Ninety-nine Dollars and Ninety-nine Cents ($103,999.99), for the Barton Street Storm Sewer Improvements Project.

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-25, nays-0, absent-2, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Jones, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor

Goldman.
NAYS: None.
ABSENT: Henry and Kimberling.
With a majority of all members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 711-01 adopted unanimously.

2. Your Committee on Finance has had under consideration Resolution No. 712-01, authorizing the Mayor to enter into a contract with Smith, Cochran & Hicks, PLLC, in the amount of $4,000, to conduct an Agreed Upon Procedures Engagement of the City's Solid Waste Facility, operated by Landfill Services of Charleston, Inc.;
To be charged as follows:
$2,000 - 01-442-0-0-2-024, Internal Audit-Audit Costs
$2,000 - Landfill Services of Charleston, Inc.
and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 712-01-"Authorizing the Mayor to enter into a contract with Smith, Cochran & Hicks, PLLC, in the amount of $4,000, to conduct an Agreed Upon Procedures Engagement of the City's Solid Waste Facility, operated by Landfill Services of Charleston, Inc."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a contract with Smith, Cochran & Hicks, PLLC, in the amount of Four Thousand Dollars ($4,000), to conduct an Agreed Upon Procedures Engagement of the City's Solid Waste Facility, operated by Landfill Services of Charleston, Inc.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 712-01 adopted unanimously.

3. Your Committee on Finance has had under consideration Resolution No. 713-01, authorizing the Mayor to enter into a contract with Commercial Insurance Services, Inc. and PENCO, in the amount of $811,326, for renewal of the City's Property and Casualty insurance coverage for the period April 1, 2001 through March 31, 2002; To be charged to various accounts of the City's General Fund budget, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 713-01-"Authorizing the Mayor to enter into a contract with Commercial Insurance Services, Inc. and PENCO, in the amount of $811,326, for renewal of the City's Property and Casualty insurance coverage for the period April 1, 2001 through March 31, 2002."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a contract with Commercial Insurance Services, Inc. and PENCO, in the amount of Eight Hundred Eleven Thousand Three Hundred Twenty-six Dollars ($811,326), for the renewal of the City's Property and Casualty

insurance coverage for the period April 1, 2001 through March 31, 2002.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 713-01 adopted unanimously.

4. Your Committee on Finance has had under consideration Resolution No. 714-01, authorizing approval of the 2001-2002 Civic Center Budget as indicated on the attached list of accounts, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 714-01-"Authorizing approval of the 2001-2002 Civic Center Budget as indicated on the attached list of accounts."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the 2001-2002 Civic Center Budget, as indicated on the attached list of accounts, is hereby approved.

FOUR PAGES FOLLOWING

81 CIVIC CENTER REVENUE

		1998-99 RECEIVED	1999-00 RECVD YTD (THRU Y/E)	2000-01 COUNCIL APP.	2000-01 TOTAL EST.	2000-01 RECVD YTD (THRU DEC)	2001-02 DEPT EST.
358	CIVIC CENTER REVENUE						
358-00-0300	DO NOT USE GAIN/LOSS SALES						
358-00-0302	RENT	713,332	782,986	700,000	700,000	339,065	760,000
358-00-0304	COMMISSIONS	109,577	93,352	110,000	110,000	41,711	100,000
358-00-0307	PARKING LOT-SURFACE	108,547	109,552	100,000	100,000	50,810	110,000
358-00-0309	ICE ARENA	77,870	59,361				
358-00-0310	COMM/TELEPHONE	2,465	2,632	3,000	3,000	904	3,000
358-00-0311	FINE HOST	415,637	329,920	410,000	410,000	173,283	449,000
358-00-0312	PATRON SERVICES	72,161	56,884	60,000	60,000	20,038	62,000
358-00-0313	SECURITY	12,290	13,333	11,000	11,000	8,313	15,000
358-00-0314	ADVERTISING	3,521	14,276	30,000	30,000	22,682	60,000
358-00-0315	SPOTLIGHT RENTAL	4,148	5,530	5,000	5,000	3,400	6,000
358-00-0316	POWER USAGE .	27,199	38,724	30,000	30,000	18,264	36,000
358-00-0317	TABLE COVER/DRAPES	25,875	25,719	32,000	32,000	11,628	27,000
358-00-0318	RENT-PUBLIC ADDRESS SY	6,910	6,829	5,500	5,500	1,510	6,500
358-00-0319	STAGING	4,350	4,830	5,000	5,000	3,510	5,000
358-00-0320	BOOTH RENTAL	53,883	64,784	50,000	50,000	23,779	56,000
358-00-0321	INTEREST	117,325	106,552	12,000	12,000	194,277	14,000
358-00-0322	PIANO RENTAL	2,555	1,613	3,000	3,000	887	3,000
358-00-0323	TABLE RENTAL	34,045	33,696	36,000	36,000	16,338	36,000
358-00-0324	MISCELLANEOUS	12,953	13,570	10,000	10,000	6,859	13,000
358-00-0325	BUILDING DAMAGES	777	1,422	2,000	2,000	214	2,000
358-00-0326	TELEPHONE RENTAL	20,810	25,705	20,000	20,000	20,895	26,000
358-00-0327	A.V. EQUIPMENT	19,234	21,134	20,000	20,000	13,074	23,000
358-00-0328	TELETIX	13,674	13,542	10,000	10,000	6,845	13,000
358-00-0329	CARPET RENTAL	21,260	31,190	22,000	22,000	9,834	23,000
358-00-0330	DRAYAGE	6,692	6,400	8,000	8,000	8,113	8,000
358-00-0331	CC CAPITAL IMPROVEMENT FEE					26,512	
358-00-0341	TRANSFERS FROM GEN FUN	368,645	630,243	1,002,740	982,991	534,633	999,031
358-00-0342	TRANS FROM OTHER FUNDS		100,150	120,000	120,000	40,555	120,000
358-00-0343	TRANS FROM CC RENEWAL & RE		40,000			3,683	
358-00-0379	GAIN/LOSS SALE OF ASSETS		3,650			200	
	CIVIC CENTER REVENUE	2,255,735	2,637,579	2,817,240	2,797,491	1,601,816	2,975,531
	CIVIC CENTER REVENUE	2,255,735	2,637,579	2,817,240	2,797,491	1,601,816	2,975,531

81 CIVIC CENTER REVENUE

		1998-99 EXPENDED	1999-00 EXPEND YTD (THRU Y/E)	2000-01 COUNCIL APP.	2000-01 TOTAL BDGT	2000-01 EXPEND YTD (THRU DEC)	2001-02 DEPT REQ.
910-00	ADMINISTRATIVE						
910-00-000-0-001	CC LAND						
	ADMINISTRATIVE						
910-01-000-0-001	CC BUILDINGS						
	*** TITLE NOT ON FILE ***						
910-01-000-1	PERSONAL SERVICES						
910-01-000-1-003	SALARIES & WAGES	658,156	633,954	774,038	753,765	304,863	753,765
910-01-000-1-004	FICA	48,516	46,523	59,214	57,663	22,359	57,663
910-01-000-1-005	MEDICAL & LIFE INSURAN	109,015	105,210	95,238	100,350	55,880	131,875
910-01-000-1-006	RETIREMENT	57,729	55,859	69,654	67,728	27,849	67,728
910-01-000-1-008	DENTAL/OPTICAL INSURAN	7,635	8,148	8,424	8,100	5,276	13,000
910-01-000-1-009	INSURANCE-PAYROLL DED	21,338-	19,868-	28,745-	27,930-	11,807-	21,885-
	PERSONAL SERVICES	859,713	829,826	977,823	959,676	404,420	1,002,146
910-01-000-2	CONTRACTUAL						
910-01-000-2-011	TELEPHONE	40,569	47,508	41,820	41,820	22,418	45,720
910-01-000-2-012	PRINTING	1,769	2,798	3,200	3,200	89	3,200
910-01-000-2-013	UTILITIES	462,896	466,621	418,000	418,000	190,254	454,400
910-01-000-2-014	TRAVEL	3,846	2,928	4,500	4,500	1,014	4,500
910-01-000-2-015	MAINT & REP-BLDG/GROUN	80,206	79,744	85,000	85,000	20,426	85,000
910-01-000-2-016	MAINT & REP-EQUIPMENT	48,429	62,885	65,000	65,000	27,547	65,000
910-01-000-2-018	POSTAGE	623	1,016	700	700	257	700
910-01-000-2-019	BLDG AND EQUIP RENTS	1,770	2,731	2,100	2,100	92	2,100
910-01-000-2-020	ADVERTISING/LEGAL PUB	8,330	11,051	20,000	20,000	9,415	20,000
910-01-000-2-021	TRAINING	235	944	2,700	2,700		2,700
910-01-000-2-022	DUES AND SUBSCRIPTIONS	1,385	1,105	1,790	1,790	555	1,790
910-01-000-2-024	AUDIT COSTS			1,000	1,000		1,000
910-01-000-2-026	INSURANCE - WC AND UC	46,046	58,969	39,650	38,048	20,589	44,625
910-01-000-2-027	INSURANCE	23,765	6,973	25,000	25,000	12,947	32,500
910-01-000-2-030	CONTRACTED SERVICES	466,570	614,566	338,900	338,900	204,842	406,535
	CONTRACTUAL	1,186,439	1,359,839	1,049,360	1,047,758	510,445	1,169,770
910-01-000-3	COMMODITIES						
910-01-000-3-041	MATERIALS & SUPPLIES	64,299	80,764	70,000	70,000	30,492	72,500
910-01-000-3-043	GAS, OIL & TIRES	684	121	750	750	207	750
910-01-000-3-045	UNIFORMS	6,002	6,829	6,500	6,500	1,875	6,500
910-01-000-3-047	RESALE MERCHANDISE	82					
	COMMODITIES	71,067	87,714	77,250	77,250	32,574	79,750
910-01-000-4	CAPITAL OUTLAY						
910-01-000-4-058	CAP OUTLAY SPECIAL PRO						
910-01-000-4-059	CAPITAL OUTLAY-EQUIPME						

81 CIVIC CENTER REVENUE

		1998-99 EXPENDED	1999-00 EXPEND YTD (THRU Y/E)	2000-01 COUNCIL APP.	2000-01 TOTAL BDGT	2000-01 EXPEND YTD (THRU DEC)	2001-02 DEPT REQ.
910-01-000-4-061	CAP OUTALY - LEASE PURCHAS						6,700
910-01-000-4-065	DEPRECIATION	808,526	776,752	925,000	925,000	392,080	900,000
	CAPITAL OUTLAY	808,526	776,752	925,000	925,000	392,080	906,700
910-01-000-5	CONTRIBUTIONS						
910-01-000-5-069	TRANSFERS TO OTHER FUNDS					24,932	
910-01-000-5-071	PRINC MATURITIES-BONDS						200,000
910-01-000-5-072	INTEREST ON BONDS	145,354	503,230	712,807	712,807	370,347	517,165
910-01-000-5-074	BOND SERVICE CHARGE	12,867	5,034				
	CONTRIBUTIONS	158,221	508,264	712,807	712,807	395,279	717,165
	*** TITLE NOT ON FILE ***	3,083,966	3,562,395	3,742,240	3,722,491	1,734,798	3,875,531
910-03-000-0-001	CC EQUIPMENT						
	*** TITLE NOT ON FILE ***						
910-05	PAINT PROGRAM						
910-05-000-0-001	CC VEHICLES						
	PAINT PROGRAM						
	*** TITLE NOT ON FILE ***	3,083,966	3,562,395	3,742,240	3,722,491	1,734,798	3,875,531
	CIVIC CENTER REVENUE	3,083,966	3,562,395	3,742,240	3,722,491	1,734,798	3,875,531

Position/Expenditure	CURRENT Grade/ Class	Maximum Annual Comp	Thru 12/16 BA 2000-2001 Budget # Emp	Amount	Type	# Emp	REQUESTED Grade/ Class	Maximum Annual Comp	2001-2002 Request # Emp	Amount	FINANCE Grade/ Class	Maximum Annual Comp	2001-2002 Finance # Emp	Amount
Civic Center														
Manager	G-9	68,366	1	68,366			G-9	68,366	1	68,366				
Assistant Manager	G-7	50,794	1	50,794			G-7	50,794	1	50,794				
Mechanical Engineer	G-6	44,946	1	44,946			G-6	44,946	1	44,946				
Business Manager	G-4	35,070	1	35,070			G-4	35,070	1	35,070				
Sales Coordinator	G-4	35,070	1	35,070			G-4	35,070	1	35,070				
Events Coodrinator	G-3	31,428	1	31,428			G-3	31,428	1	31,428				
Building Engineer	G-2	28,609	1	28,609			G-2	28,609	1	28,609				
Box Office Manager	G-2	28,609	1	28,609			G-2	28,609	1	28,609				
Accounting Clerk	C-3	21,654	1	21,654			C-3	21,654	1	21,654				
Executive Secretary	C-4	22,317	1	22,317			C-4	22,317	1	22,317				
Secretary	C-3	21,654	1	21,654			C-3	21,654	1	21,654				
Clerk-Typist	C-1	20,363	1	20,363			C-1	20,363	1	20,363				
Operator (Skilled)	PG-5	24,763	1	24,763	Elim.	(1)	PG-5	24,763	0	0				
Operator (Skilled)	PG-4	22,058	6	132,348	Add	1	PG-4	22,058	7	154,406				
Sr. Engineer Assistant	PG-5	24,763		0	Add	1	PG-5	24,763	1	24,763				
Engineer Assistant	PG-4	22,058	4	88,232	Elim.	(1)	PG-4	22,058	3	66,174				
Parking/Maintenance	PG-2	20,273	1	20,273			PG-2	20,273	1	20,273				
Laborers	PG-2	20,273	1	20,273			PG-2	20,273	1	20,273				
Overtime				18,156						18,156				
Laborers	IR-PT			12,000			IR-PT			12,000				
Box Office	IR-PT			28,840			IR-PT			28,840				
Total			25	753,765					25	753,765			0	0

The question being on the adoption of the Resolution a roll call was taken and there were: yeas-25, nays-0, absent-2, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Jones, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Henry and Kimberling.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 714-01 adopted unanimously.

5. Your Committee on Finance has had under consideration Resolution No. 715-01, authorizing the Mayor to sign an Amendment to the Lease Agreement with the Federal Deposit Insurance Corporation for 3,476 square feet of space in Municipal Parking Building No. 1, located at Quarrier and McFarland streets, at the current rate of $2,679.42 per month. The Amendment calls for a six-month extension of the Lease from April 23, 2001 to October 23, 2001. The space will be used for general office purposes and storage, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 715-01-"Authorizing the Mayor to sign an Amendment to the Lease Agreement with the Federal Deposit Insurance Corporation for 3,476 square feet of space in Municipal Parking Building No. 1, located at Quarrier and McFarland streets, at the current rate of $2,679.42 per month. The Amendment calls for a six-month extension of the Lease from April 23, 2001 to October 23, 2001. The space will be used for general office purposes and storage."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to sign an Amendment to the Lease Agreement with the Federal Deposit Insurance Corporation for 3,476 square feet of space in Municipal Parking Building No. 1, located at Quarrier and McFarland streets, at the current rate of Two Thousand Six Hundred Seventy-nine Dollars and Forty-two Cents ($2,679.42) per month. The Amendment calls for a six-month extension of the Lease from April 23, 2001 to October 23, 2001. The space will be used for general office purposes and storage.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 715-01 adopted unanimously.

6. Your Committee on Finance has had under consideration Resolution No. 716-01, authorizing the Mayor to enter into a Memorandum of Agreement with West Virginia State College Department of Land-Grant Programs, under the auspices of the Division of Planning and Advancement, in an amount not to excess $19,101, to provide effective after school programs to serve approximately 300 children in grades K-6 who reside in designated Charleston Public Housing communities. The Agreement is for the period July 1, 2000 to June 30, 2001; To be charged to Account No. 01-907-0-0-5-067, Youth Programs-Contributions/Other Government Units, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 716-01-"Authorizing the Mayor to enter into a Memorandum of Agreement with West Virginia State College Department of Land-Grant Programs, under the auspices of the Division of Planning and Advancement, in an amount not to exceed $19,101, to provide effective after school programs to serve approximately 300 children in grades K-6 who reside in designated Charleston Public Housing communities. This Agreement is for the period July 1, 2000 to June 30, 2001."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a Memorandum of Agreement with West Virginia State College Department of Land-Grant Programs, under the auspices of the Division of Planning and Advancement, in an amount not to exceed Nineteen Thousand One Hundred One Dollars ($19,101), to provide effective after school programs to serve approximately 300 children in grades K-6 who reside in designated Charleston Public Housing communities. The Agreement is for the period July 1, 2000 to June 30, 2001. The Charleston Public Housing communities served are as follows:
Washington Manor, Littlepage Terrace, South Park Village, Oakhurst Village, Spring Hill Village and Hillcrest Village.

The question being on the adoption of the Resolution a vote was taken. There being no dissent, with Nielsen abstaining, the Mayor declared Resolution No. 716-01 adopted unanimously.

7. Your Committee on Finance has had under consideration Resolution No. 717-01, authorizing the Finance Director to allocate funds in the amount of $15,000 for a HOME project located on the West Side of Charleston; To be charged to Account No. 30-098-00-005, HOME Program-Acquisition of Property, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 717-01-"Authorizing the Finance Director to allocate funds in the amount of $15,000 for a HOME project located on the West Side of Charleston."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Finance Director is hereby authorized and directed to allocate funds in the amount of Fifteen Thousand Dollars ($15,000) for a HOME project located on the West Side of Charleston.

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-25, nays-0, absent-2, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Jones, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Henry and Kimberling.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 717-01 adopted unanimously.

8. Your Committee on Finance has had under consideration Resolution No. 718-01, authorizing the approval of the 1999-2000 audit report, as presented by Gibbons & Kawash, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 718-01-"Authorizing the approval of the 1999-2000 audit report, as presented by Gibbons & Kawash."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the 1999-2000 audit report, as presented by Gibbons & Kawash is hereby approved.

The question being on the adoption of the Resolution a roll call was taken and there were: yeas-25, nays-0, absent-2, as follows;

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Jones, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Henry and Kimberling.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 718-01 adopted unanimously.

9. Your Committee on Finance has had under consideration bid submitted by Computers Plus, in the amount of $2,550, for purchase of three (3) computers ($850 each) for the Mattie V. Lee Home; To be charged to Account No. 25-097-00-011, CDBG-Public Services, and reports he same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a roll call was taken and there were; yeas-25, nays-0, absent-2, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Jones, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Henry and Kimberling.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared the committee report adopted unanimously.

10. Your Committee on Finance has had under consideration Bill No. 6777, supplementing Ordinance No. 4828 passed by the Council of The City of Charleston, West Virginia, on April 20, 1992, as supplemented by Ordinance No. 4954, No. 6276, No. 6349, No. 6532, No. 6544 and No. 6670, which authorized the acquisition and construction of certain extensions, additions,

betterments and improvements to the sewerage system of The City of Charleston; authorizing the assumption of certain debt of the Guthrie Public Service District; authorizing the issuance of not more than $855,000 in aggregate principal amount of 2001 Sewerage System Revenue Bonds, in two or more series as may be required, of said The City of Charleston to be used, along with other funds and moneys of, or available to, The City of Charleston, which may be lawfully expended for such purposes, to evidence the assumption of said debt; providing for the rights and remedies of and security for the holders of such bonds; and adopting other provisions related thereto, and reports the same to Council with the recommendation that the Bill do pass.

Bill No. 6777-

A Bill supplementing Ordinance No. 4828 passed by the Council of The City of Charleston, West Virginia, on April 20, 1992, as supplemented by Ordinances No. 4954, No. 6276, No. 6349, No. 6532, No. 6544 and No. 6670, which authorized the acquisition and construction of certain extensions, additions, betterments and improvements to the sewerage system of The City of Charleston; authorizing the merger of the assets of the Guthrie Public Service District into the sewerage system of the City; authorizing the assumption of certain debt of the Guthrie Public Service District; authorizing the issuance of not more than $855,000 in aggregate principal amount of Sewerage System Revenue Bonds, in two or more series as may be required, of said The City of Charleston to be used, along with other funds and moneys of, or available to, The City of Charleston which may be lawfully expended for such purposes, to evidence the assumption of said debt; providing for the rights and remedies of and security for the holders of such bonds; and adopting other provisions related thereto.

Be It Ordained by the Council of The City of Charleston, West Virginia, as Follows:

ARTICLE I

STATUTORY AUTHORITY, DEFINITIONS AND FINDINGS

Section 1.01. Authority for this Ordinance. This Ordinance is enacted pursuant to the provisions of Chapter 16, Article 13, of the Code of West Virginia, 1931, as amended (the "Act"), and other applicable provisions of law, and as a supplement to Ordinance No. 4828, passed by the Council of The City of Charleston (the "Council") on the 20th day of April, 1992, as supplemented by Ordinance No. 4954, passed by the Council on May 3, 1993, as supplemented by Ordinance No. 6276, passed by the Council on September 3, 1996, as supplemented by Ordinance No. 6349, passed by the Council on June 2, 1997, as supplemented by Ordinance No. 6532 passed by the Council on November 16, 1998, as supplemented by Ordinance No. 6544 passed by the Council on

February 1, 1999, and as supplemented by Ordinance No. 6670 passed by the Council on February 20, 2001.

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

A. The City of Charleston, West Virginia (the "City") now owns a sewerage system (the "System"), both within and without the corporate limits of the City, consisting of a sewage treatment plant and a composting facility and its collecting, intercepting and outlet sewers, lateral sewers, drains, force mains, conduits, pumping stations and all other appurtenances, extensions, improvements and betterments necessary, appropriate, useful, convenient or incidental for the collection, treatment and disposal in a sanitary manner of sanitary sewage and industrial wastes.

B. In accordance with Section 2 of the Act, the System is under the supervision and control of the Sanitary Board of the City (the "Sanitary Board").

C. Guthrie Public Service District (the "District") is a public service district created pursuant to Chapter 16, Article 13A of the West Virginia Code, 1931, as amended (the "Code") and currently provides sewer collection service to approximately 359 customers. The City treats sewerage from the District pursuant to an agreement entered into in 1999 and the Sanitary Board maintains lines, performs billing and collection services, prepares financial statements and many other functions.

D. The City and the District signed an agreement dated April 13, 1999, concerning the proposed merger providing that the City will take possession of all the property and assets of the District, the City will assume all of the legal and financial obligations of the District and the customers served by the District will become customers to be served by the City.

E. On January 25, 2000, the District and the City jointly petitioned the Public Service Commission of West Virginia (the "Commission") for permission to merge the District's system into the City's System, thereby lowering the rates paid by the District's customers, including the surcharge, as hereinafter defined.

F. The Commission approved the merger by an order dated January 2, 2001 in Case No. 00-0152-PSD-PC (the "Order").

G. The acquisition and construction of the System were financed or refinanced in part by the proceeds of prior bond and note issues of the City, including The City of Charleston's outstanding $1,912,194 Sewer Revenue Bonds, Series 1989A (the "1989A Bonds"), the $829,856 Sewer Revenue Bonds, Series 1989C (the "1989C Bonds"), the $2,955,000 Sewerage System Refunding Revenue Bonds, Series 1992A (the "1992A Bonds"), the $6,670,000 Sewerage System Refunding and Improvement Revenue Bonds, Series 1992B (the "1992B Bonds"), the $773,237 Sewerage System Revenue Bonds, 1993

Series A (the "1993A Bonds"), the $2,671,058 Sewerage System Revenue Bonds, Series 1996 A (the "1996A Bonds"), the $395,299 The City of Charleston Sewerage System Revenue Bonds, Series 1996 B (the "1996B Bonds"), the $732,688 Sewerage System Revenue Bonds, Series 1997 A (the "1997A Bonds"), the $5,237,584 Sewerage System Revenue Bonds, Series 1997 B (the "1997B Bonds"), the $994,537 Sewerage System Revenue Bonds, 1998 Series A (the "1998A Bonds"), the $686,229 Sewerage System Revenue Bonds, 1999 Series A (the "1999 Series A Bonds"), and the $1,111,357 Sewerage System Revenue Bonds, 2001 Series A (the "2001A Bonds," and collectively with the above-referenced bonds, the "First Lien Bonds"), and $283,458 Supplemental Sewer Revenue Bonds, Series 1989B (the "Supplemental 1989B Bonds"), the $123,015 Supplemental Sewer Revenue Bonds, Series 1989D (the "Supplemental 1989D Bonds") and the $132,072 Sewerage System Revenue Bonds, 1999 Series B (the "Supplemental 1999 B Bond," and collectively with the above-referenced Bonds, the "Second Lien Bonds"), which Second Lien Bonds are subordinate and junior to the First Lien Bonds. The First Lien Bonds and the Second Lien Bonds are sometimes hereinafter referred to as the "Prior Bonds" or "Prior Debt". The Prior Bonds are equally and ratably secured under the provisions of Ordinance No. 4828 passed by Council of the City on April 20, 1992, as supplemented by Ordinance No. 4954 passed by Council on May 3, 1993, as supplemented by Ordinance No. 6276 passed by the Council on September 3, 1996, as supplemented by Ordinance No. 6349, passed by the Council on June 2, 1997, as supplemented by Ordinance No. 6532, passed by the Council on November 16, 1998, as supplemented by Ordinance No. 6544 passed by the Council on February 1, 1999, and as supplemented by Ordinance No. 6670 passed by the Council on February 20, 2001 (collectively, the "Prior Ordinance"), which amended and superseded several prior ordinances of the City relating to the System and the issuance of bonds and notes to finance the acquisition and construction of portions of the System. The Second Lien Bonds are subordinate and junior as to lien and sources of payment to the Prior Bonds.

H. The First Lien Bonds are currently outstanding in the approximate aggregate principal amount of $21,689,545 and the Second Lien Bonds are currently outstanding in the approximate aggregate principal amount of $440,027.

I. The acquisition and construction of the District's system were financed in part by the proceeds of the District's Guthrie Public Service District Sewer Revenue Bonds, Series 1990 A in the principal amount of $878,695 (the "Series 1990 A Bonds") and the Guthrie Public Service District Sewer Revenue Bonds, Series 1990 B (the "Series 1990 B Bonds") in the principal amount of $41,005 (collectively, the "District Bonds"). The Series 1990 B Bonds were issued subordinate and junior as to lien and source of payment to the Series 1990 A Bonds. The District sold the Bonds to the West Virginia Water Development Authority (the "Authority"). The Authority through correspondence with the Commission has stated that it will permit the City's assumption of the District's Bonds on parity with the City's First Lien Bonds and the Second Lien Bonds.

J. The City derives revenues from the System, and, except for the pledges thereof to secure and pay the Prior Debt, said revenues are not pledged or encumbered in any manner.

K. It is necessary and essential to acquire the assets of the District and to assume the District's outstanding debt in order to preserve the public health, to be financed through the issuance of bonds pursuant to this Ordinance, in one or more series (collectively referred to as the "2001 Bonds") in an aggregate principal amount not to exceed $855,000.

L. The estimated revenues to be derived in each year after the enactment of this Ordinance from the operation of said System, after the merger, will be sufficient to pay all the costs of the operation and maintenance of said System, the principal of and interest on the Prior Debt and the 2001 Bonds authorized to be issued pursuant to this Ordinance and all sinking fund, reserve account and other payments provided for in this Ordinance or the Prior Ordinance.

M. The 2001 Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the form set forth in Exhibit A attached hereto and incorporated herein by reference with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance or a Supplemental Resolution or as deemed necessary by the Registrar or the City.

N. All things necessary to make the 2001 Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the City according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the 2001 Bonds, will be timely done and duly performed.

O. The enactment of this Ordinance, and the execution and issuance of the 2001 Bonds, subject to the terms thereof, will not result in any breach of, nor constitute a default under, any instrument to which the City is a party or by which it may be bound or affected.

P. The City 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 2001 Bonds are to be used for local government activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City).

Q. It is deemed necessary for the City to issue its 2001 Bonds in the aggregate principal amount of not more than $855,000 to evidence the assumption of the District's Bonds, said 2001 Bonds to be issued simultaneously with the completion of the merger.

R. It is in the best interests of the City that its 2001 Bonds be delivered to the West Virginia Water Development Authority in exchange for the District's Bonds.

S. The Commission has approved a surcharge of $1.75 per thousand gallons, subject to change, as provided in the Order, for the customers of the District to be charged until the District's outstanding bond debt is retired. The reserve funds for the Series 1990 A Bonds and Series 1990 B Bonds, respectively, are funded at the level required therefor and will be transferred to the 2001 Bonds as part of the merger.

T. The revenues of the System of the City after the merger, together with the surcharge, will be sufficient to pay all the costs of the operation and maintenance of said System and the debt service on the Prior Debt and the 2001 Bonds.

U. Prior to the merger, the City shall receive a certificate from an independent certified public accountant that the City will meet the coverage requirement established in the Prior Ordinance. The 2001 B Bonds in an amount not more than $823,741, which replace the District's Series 1990 A Bonds, shall be issued with a lien on the Net Revenues on a parity with the lien held by the registered owners of the First Lien Bonds, and the lien of such 2001 B Bonds shall be senior and superior to the lien of the registered owners of the Second Lien Bonds and the 2001 C Bonds. The lien of the 2001 C Bonds in an amount not more than $30,492, which replace the District's Series 1990 B Bonds, will be on parity with the Second Lien Bonds and junior and subordinate to the First Lien Bonds and the 2001 B Bonds.

V. It is in the best interests of the City and the District for the City to acquire the District's assets by merger.

W. The City will not permit, at any time, any of the proceeds of the 2001 Bonds or any other funds of the City 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 Code.

Section 1.03. Ordinance Constitutes Contract. In consideration of the acceptance of the 2001 Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the City and such Bondholders, and the covenants and agreements herein set forth to be performed by said City shall be for the equal benefit, protection and security of the legal holders of any and all of such 2001 Bonds issued hereunder, all of which shall be of equal rank and without preference, priority or distinction between any one 2001 Bond and any other 2001 Bonds by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. Except as provided below, terms used in this Supplemental Ordinance have the meanings set forth in the Prior Ordinance, as supplemented by this Supplemental Ordinance, unless the context expressly requires otherwise.

"System" shall mean the complete existing sewerage system now owned by the City and managed by the Sanitary Board, consisting of a sewerage treatment and collection system, and shall include any extensions, additions, betterments and improvements thereto, including the wastewater treatment facility, hereafter acquired or constructed for said sewerage system from any sources whatsoever, both within and without said City, including after the merger, the assets of the District.

Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations. Words importing the masculine gender include all other genders.

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

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

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

ARTICLE II

AUTHORIZATION OF ACQUISITION OF GUTHRIE PUBLIC SERVICE DISTRICT

Section 2.01. Authorization of Acquisition and Assumption. The acquisition by merger of the assets of the District and assumption of the District's Bonds by the issuance of the 2001 Bonds by the City is hereby authorized.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF 2001 Bonds

Section 3.01. Authorization and Terms of 2001 Bonds. For the purpose of assuming the District's Bonds, there shall be issued the 2001 Bonds of the City. The 2001 Bonds shall be issued in two or more series with the first series to be designated 2001 Series B, the second series as 2001 Series C, and so on, of "Sewerage System Revenue Bonds" in an aggregate principal amount of not more than $855,000. Each series of 2001 Bonds shall be dated as of the date of delivery of each series thereof, shall bear such interest not to exceed the legal interest rate (12%), shall mature at such times, not to exceed forty years, and

in such amount as shall be set out in the Supplemental Resolution. The repayment of principal and interest, if any, on each series of 2001 Bonds shall be as set forth on Schedule X to the District's Loan Agreement and the District's Supplemental Loan Agreement (collectively, the "District Loan Agreements"). The 2001 Bonds shall contain such other terms, provisions, conditions and limitations, all as provided by this Ordinance and as the Council of the City shall prescribe by resolution (or by supplemental or amendatory ordinance of said Council as said Council shall determine) adopted in connection with the delivery of such 2001 Bonds.

The 2001 Bonds shall be payable as to principal at the principal 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 2001 Bonds shall be paid by check or draft mailed to the registered owner thereof at the address as it appears on the books of the Bond Registrar, provided, that so long as the Authority is the owner thereof, interest on the 2001 Bonds may be paid by wire transfer or other methods satisfactory to the City, the Paying Agent and the Authority.

Unless otherwise provided by the Supplemental Resolution, the 2001 Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a record of advances and a payment record attached, representing the aggregate principal amount, and shall mature in principal installments, all as provided in the District Loan Agreements and said Supplemental Resolution. The 2001 Bonds shall be exchangeable at the option and expense of the Bondholder for other fully registered 2001 Bonds in aggregate principal amount equal to the amount of said 2001 Bonds then Outstanding, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said 2001 Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Section 3.02. Execution of Bonds. Said Bonds shall be executed in the name of the City by the Mayor and attested by the Recorder, and the seal of the City shall be affixed thereto or imprinted thereon. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the City before the Bonds so signed and sealed have been sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the City by such person as, at the actual time of the execution of such Bonds, shall hold the proper office in the City, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.08, shall have been duly manually executed by the Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under

this Ordinance. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Registrar if manually signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.04. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the 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 owner, in accepting any of said 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 owner shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value in the manner provided hereinafter in the form of said Bonds.

So long as any of the 2001 Bonds remain Outstanding, the City, through the Registrar, shall keep and maintain books for the registration and transfer of the Bonds.

The 2001 Bonds shall be transferable only upon the books of the Registrar, by the registered Owner thereof in person or by the Owner's attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered Owner or the Owner's duly authorized attorney.

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

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the City may, in its discretion, issue and deliver a new Bond 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 Owner's furnishing the City proof of ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the City may prescribe and paying such expenses as the City may incur and the Registrar shall authenticate the new Bond. All Bonds so surrendered shall be canceled by the Registrar and held for the account of the City. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the City may pay the same, upon being

indemnified as aforesaid, and, if such Bond be lost, stolen, or destroyed, without surrender therefor.

Any such duplicate Bonds issued pursuant to this Section shall constitute original, additional contractual obligations on the part of the City, whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source of security for payment from the revenues pledged herein with all other Bonds issued hereunder.

Section 3.06. Bonds not to be Indebtedness of the City. The 2001 Bonds shall not, in any event, be or constitute an indebtedness of the City 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 on parity with the First Lien Bonds but senior and superior to the Second Lien Bonds or on a parity with the Second Lien Bonds but junior and subordinate to the First Lien Bonds, as the case may be. No Owner or Owners of any of the Bonds shall ever have the right to compel the exercise of the taxing power of the City to pay the Bonds or any interest thereon.

Section 3.07. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the 2001 B Bonds, issued to assume the District's Series 1990 A Bonds, shall be secured forthwith by a first lien on the Net Revenues derived from the System on parity with the First Lien Bonds but senior and superior to the Second Lien Bonds and the 2001 C Bonds. The 2001 C Bonds issued to assume the District's Series 1990 B Bonds shall be on parity with the Second Lien Bonds and junior and subordinate to the First Lien Bonds and the 2001 B Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the 2001 Bonds and the Prior Debt and to make the payments into the sinking funds and the reserve accounts therein and in the Renewal and Replacement Fund established herein or in the Prior Ordinance are hereby irrevocably pledged to the payment of the principal of and any interest on the 2001 Bonds and the Prior Debt as the same become due.

Section 3.08. Form of 2001 Bonds. The text of the 2001 Bonds shall be of substantially as set forth in Exhibit A, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Ordinance or any subsequent resolution or ordinance adopted or enacted prior to the issuance thereof.

Section 3.09. Delivery of 2001 Bonds. Each series of 2001 Bonds shall be issued to the Authority in exchange for the District's Bonds.

Section 3.10. 2001 Bonds are Issued as Parity Bonds. The 2001 Bonds are issued as and shall constitute additional Parity Bonds in accordance with Section 6.08 of the Prior Ordinance. Prior to the issuance of the 2001 Bonds, the following must occur:

A. The City must receive the written approval of the Authority for the issuance of the 2001 Bonds.

B. The conditions of Section 6.08 of the Prior Ordinance must be satisfied.

C. The redesignation by the Commission of the reserve funds for the Series 1990 A Bonds and Series 1990 B Bonds.

D. The 2001 Bonds shall not be issued unless all the payments into the respective funds and accounts provided for in the Prior Ordinance on account of the Prior Debt Outstanding and any other payments provided for in the Prior Ordinance, shall have been made in full as required to the date of delivery of the 2001 Bonds.

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01. Funds and Accounts. The funds and accounts established by the Prior Ordinance are hereby continued. In addition to the funds and accounts established by the Prior Ordinance, there is hereby created at the Commission a sinking fund and a reserve account with respect to each series of 2001 Bonds. Following the monthly payment of operation and maintenance expense, the City shall make monthly payments to the Commission of the debt service on the Prior Debt and the 2001 Bonds.

Simultaneously with the transfers made pursuant to Section 4.02A(2) of the Prior Ordinance with respect to the Prior Bonds, the City shall simultaneously deposit on the first day of each month a sum equal to one-sixth of the amount of interest which will become due on the 2001 Bonds on the next ensuing semi-annual interest payment date and shall simultaneously deposit with the Commission on the first of each month beginning on the first day of the month which is thirteen months prior to the first principal payment date of the 2001 Bonds a sum equal to one-twelfth of the principal which will mature or become due on the 2001 Bonds on the next principal payment date.

To the extent not funded with proceeds of the Bonds or otherwise previously funded, the City shall simultaneously with the payments required under Section 4.02A(3) of the Prior Ordinance deposit with the Commission an amount equal to one and one hundred twentieth of the reserve account requirement to the respective reserve account.

Moneys in the respective Sinking Funds shall be used only for the purposes of paying principal of and interest on the respective series of Bonds as the same shall become due. Moneys in the Reserve Account in the respective Sinking Funds shall be used only for the purpose of paying principal of or interest on the respective series of Bonds, as the same shall come due, when other moneys in the respective Sinking Fund are insufficient therefor, and for no other purpose. Except for the funds required to be deposited in the Rebate Fund, all investment earnings on moneys in the respective Reserve Accounts shall be transferred, not less than once each year, to the Bond Construction Trust Fund prior to completion of the Project and thereafter, pro rata, to the respective Sinking Funds.

Any withdrawals from the Reserve Accounts which result in a reduction in the balance of any Reserve Account to an amount below the applicable Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments to the Sinking Funds for payment of debt service on the Bonds have been made in full.

Moneys in the Reserve Accounts shall be invested and reinvested by the Commission in accordance with Section 4.04 hereof.

If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds or accounts as hereinabove and in the Prior Ordinance as provided, the deficiency is to be made up in subsequent payments, in addition to the payments which would otherwise be required to remain in the funds and accounts on subsequent payment dates. During such short period of insufficient funds, the funds received shall be distributed pro rata among the various Bonds outstanding. Additionally, at such time as required by the Authority, the City shall make its debt service payments to the Commission through automatic debit or other automatic bank transfer.

Except as provided above, all sinking fund, reserve, and renewal and replacement payments shall remain as governed by Section 4.02 of the Prior Ordinance.

Section 4.02. Investments. Any moneys held as a part of the funds and accounts created by this Ordinance, other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank or such other bank or national banking association holding such fund or account, as the case may be, at the direction of the City in any Qualified Investments to the fullest extent possible under applicable laws, this Ordinance, the need for such moneys for the purposes set forth herein and the specified restrictions and provisions set forth in this Section 4.02.

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. The Commission, the Depository Bank or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss of such liquidation. The Depository Bank or such other bank or national banking association may make any and all investments permitted by this section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

ARTICLE V

ADDITIONAL COVENANTS OF THE CITY

All the covenants, agreements and provisions of the Prior Ordinance shall remain in full force and effect as long as the Prior Debt and the 2001 Bonds are outstanding and shall apply to the 2001 Bonds as if fully set out herein. The following covenants are supplemented and in addition to the covenants set forth in the Prior Ordinance.

Section 5.01. Tax Covenants. The City hereby further covenants and agrees as follows:

A. PUBLIC PURPOSE BONDS. The System, after the merger, will be solely operated as a public purpose and as local governmental activity of the City.

B. PRIVATE ACTIVITY BOND COVENANT. The City shall not permit at any time or times any of the proceeds of the 2001 Bonds or any other funds of the City to be used directly or indirectly in a manner which would result in the exclusion of the 2001 Bonds from the treatment afforded by Section 103(a) of the Code by reason of the classification of the 2001 Bonds as "private activity bonds" within the meaning of the Code. The City will take all actions necessary to comply with the Code in order to assure the tax-exempt status of the 2001 Bonds.

C. PRIVATE LOAN LIMITATION. The City shall assure that not in excess of 5% of the Net Proceeds of the 2001 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.

D. FEDERAL GUARANTEE PROHIBITION. The City 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 2001 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

E. INFORMATION RETURN. The City will file all statements, instruments and returns necessary to assure the tax exempt status of the 2001 Bonds, including without limitation the information return required under Section 149(e) of the Code.

F. FURTHER ACTIONS. The City will take any and all actions that may be required of it (including those deemed necessary by the Authority) so that the interest on the 2001 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 those determined by the Authority) which would adversely affect such exclusion.

Section 5.02. Rebate Covenant. The City is a governmental unit with general taxing powers to finance operations of or facilities of the nature of the System. As covenanted above, the 2001 Bonds are not private activity bonds within the meaning of the Code, and ninety-five percent (95%) or more of the net proceeds (as defined with respect to the Code) of the 2001 Bonds will be used for local governmental activities of the City. The City reasonably expects to expend the proceeds of the 2001 Bonds within the time period that would provide an exception from the rebate requirements of Section 148(f) of the Code. Notwithstanding the foregoing, if the City is in fact subject to such rebate requirements, the City hereby covenants to rebate to the United States the amounts required by the Code and to take all steps necessary to make such rebates. In the event the City fails to make such rebates as required, the City shall pay any and all penalties and obtain a waiver from the Internal Revenue Service in order to maintain the tax-exempt status of interest on the 2001 Bonds.

Section 5.03. Arbitrage. The City covenants that (i) it will restrict the use of the proceeds of the 2001 Bonds in such manner and to such extent as may be necessary, in view of the City's reasonable expectations at the time of issuance of the 2001 Bonds, so that the 2001 Bonds will not constitute "arbitrage bonds" under 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 2001 Bonds so that the interest on the 2001 Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 5.04. Tax Certificate and Rebate. The City shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the 2001 Bonds. In addition, the City covenants to comply with all regulations from time to time in effect and applicable to the 2001 Bonds as may be necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the 2001 Bonds and fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such regulations, regardless of whether such actions may be contrary to any of the provisions of the Ordinance.

If it is determined that the City does not quality for an exception to Section 148 of the Code or the City is otherwise subject to rebate in connection with the 2001 Bonds, the City shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Authority, the City shall deposit, or cause to be deposited, with the Depository Bank in a separate fund designated the Rebate Fund, such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other

lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder, if any, and used only for payment of rebatable arbitrage to the United States. The City shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the City to be used for any lawful purpose of the System. The City shall remit payments to the United States in the time and at the address prescribed by the regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the City shall assure that such payments are made by the City to the United States, on a timely basis, from any funds lawfully available therefor. In addition, the City shall cooperate with the Authority in preparing 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 City. To the extent not so performed by the Authority, the City and the Depository Bank (at the expense of the City) may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the City or the Depository Bank may deem appropriate in order to assure compliance with this Section 5.11. The City shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.11 in accordance with the requirements of Section 148(f) of the Code. In the event the City fails to make such rebates as required, the City shall pay any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the 2001 Bonds from gross income for federal income tax purposes.

The City shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation and certificate with respect thereto or, if the City qualifies for the small governmental issue exception to rebate or any other exception therefrom, then the City shall submit to the Authority a certificate stating that it is exempt from such rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the 2001 Bonds subject to rebate. The City 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 2001 Bonds (as defined in the Code).

The City shall furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority and shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the 2001 Bonds (as that term is defined in the Code) from time to time as the Authority may request.

Section 5.05. Securities Laws Compliance. The City 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 (17CFR Part 240).

Section 5.06. Defeasance of Bonds. If the City shall pay or cause to be paid, or there shall otherwise be paid, to the Owners of all 2001 Bonds the principal thereof, and redemption premium, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Ordinance, then the pledge of Net Revenues and any other moneys and securities pledged under this Ordinance and all covenants, agreements and other obligations of the City to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied.

The 2001 Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient to pay, as and when due, the principal of and interest on the Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this Section. All Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agents, 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 and interest due and to become due on said Bonds on and prior to 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 purposes other than, and shall be held in trust for, the payment of the principal of and redemption premium, if applicable, on and interest on said Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if applicable, on and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Commission, free and clear of any trust, lien or pledge. For the purpose of this Section, securities shall mean and include only Government Obligations.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Modification or Amendment. No material modification or amendment of this Ordinance or of any ordinance or resolution amendatory hereof or supplemental hereto which would materially and adversely affect the rights of Bondholders shall be made without the consent in writing of the owners of two-thirds (2/3) or more in principal amount of the 2001 Bonds then Outstanding and to be affected by said modification; provided, however, that no change shall be made in the maturity of any 2001 Bond or 2001 Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the City to pay such principal and interest out of the revenues of the System without the consent of the owner thereof. No amendment or modification shall be made which would reduce the percentage of the principal amount of 2001 Bonds required for consent to the above permitted amendments or modifications.

Section 6.02. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 6.03. Repeal of Conflicting Ordinances. All ordinances, resolutions and orders, or parts thereof, other than the Prior Ordinance, in conflict with this Ordinance are to the extent of such conflict repealed.

Section 6.04. Covenant of Due Procedure. The City covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the final enactment and passage 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 Council were at all times when any actions in connection with this Ordinance occurred, and are, duly in office and duly qualified for such office.

Section 6.05. Abstract of Ordinance and Notice of Public Hearing. Upon adoption hereof, the abstract of this Ordinance in the form set forth in Exhibit B attached hereto and incorporated herein by reference, shall be published once a week for two successive weeks, with at least six full days intervening between each publication, in the Charleston Gazette and Charleston Daily Mail, newspapers of general circulation in the City of Charleston, together with a notice stating that this Ordinance has been adopted and that the City contemplates the issuance of the Bonds, and that any person interested may appear before the City upon a certain date, 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 City for review by interested persons during office hours of the City. The Council hereby determines that the Abstract contains sufficient information as to give notice of the contents hereof. At such hearing, all objections

and suggestions shall be heard and the City shall take such action as it shall deem proper in the premises.

Section 6.06. Effective Date. This Ordinance shall take effect after passage, public hearing and otherwise in the manner prescribed by law.

EXHIBIT A

[FORM OF THE 2001 BOND]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
COUNTY OF KANAWHA
THE CITY OF CHARLESTON
SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES __

No. R-__ $_____

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF CHARLESTON, a municipal corporation of the State of West Virginia, in Kanawha County of said State (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to West Virginia Water Development Authority (the "Authority "), or registered assigns, the sum of _____ ($___ ____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in installments on _____ 1 commencing _____, 2001, as set forth on the "Schedule of Annual Debt Service" attached as Schedule A hereto and incorporated herein by reference, with interest on each installment at the rate of _____ percent (___%) per annum as set forth on said Schedule A.

Principal installments of this 2001 Bond are payable in any coin or currency which, on the respective dates of payment of principal, 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 Paying Agent. The interest on this 2001 Bond is payable by check or draft mailed to the Payee at the address as it appears on the books of the Registrar on the 15th day of the month preceding an interest payment date or by such other method as shall be mutually agreeable so long as the Authority is registered owner hereof.

This 2001 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.

This 2001 Bond is issued to evidence the City's assumption of the Guthrie Public Service District's _____. This 2001 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 of the West Virginia Code of 1931, as amended (the "Act"), Ordinance No. 4828 enacted on April 20, 1992, as amended, Ordinance No. _____ enacted by the City on the ___ day of February, 2001, and a Supplemental Resolution adopted by the City on the _ day of February, 2001 (collectively called the "Ordinance"), and is subject to all the terms and conditions thereof. The

Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the 2001 Bonds under the Ordinance.

This 2001 Bond ranks equally as to lien and security with the _____, as are defined in the Ordinance.

This 2001 Bond is payable only from and secured by a pledge of a [first lien] on the Net Revenues as defined in the Ordinance, to be derived from the operation of the System, moneys in the Reserve Account created under the Ordinance and unexpended proceeds of the 2001 Bonds on parity with the _____ Bonds [but senior to the Second Lien Bonds.] Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This 2001 Bond does not constitute a corporate indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, nor shall the City be obligated to pay the same or the interest thereon except from said special fund provided from the Net Revenues, the moneys in the Reserve Account and unexpended 2001 Bond proceeds. Pursuant to the Ordinance, the City has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to pay the maximum amount due in any ensuing fiscal year of principal of and interest on all obligations on a parity with or prior to the 2001 Bonds, payable from such revenues, provided however, that so long as there exists in the Reserve Account an amount equal to the maximum amount of principal and interest which will become due on the 2001 Bonds and any bonds on a parity therewith in any succeeding fiscal year and in each of the reserve accounts for the Prior Bonds, respectively, an amount equal to the requirement therefor, such percentage may be reduced to 110%. The City has entered into certain further covenants with the registered owners of the 2001 Bonds for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the 2001 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

This 2001 Bond is transferable, as provided in the Ordinance, only upon the books of the Registrar, kept for that purpose at the office of the Registrar, by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this 2001 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.

This 2001 Bond, under the provision of the Act is, and has provided 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 2001 Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be

applied solely to the payment of the Costs of the Project described in the Ordinance or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the owner of this 2001 Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this 2001 Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this 2001 Bond, together with all other obligations of the City, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the City for the prompt payment of the principal of and interest on this 2001 Bond.

All provisions of the Ordinance, resolutions and statutes under which this 2001 Bond is issued shall be deemed to be a part of the contract evidenced by this 2001 Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, THE CITY OF CHARLESTON has caused this 2001 Bond to be signed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Clerk, and has caused this 2001 Bond to be dated ___ ___, 2001.

[SEAL]

_____
Mayor

ATTEST:

_____
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This 2001 Bond is one of the 2001 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the registered owner set forth above.

_____,
as Registrar

By _____
Its Authorized Officer

Dated: _____

SCHEDULE A

SCHEDULE OF ANNUAL DEBT SERVICE

[Form of Assignment]

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ _____ _____ _____ _____ the within 2001 Bond and does hereby irrevocably constitute and appoint _____ ____, Attorney to transfer the said 2001 Bond on the books kept for registration of the within 2001 Bond of the said City with full power of substitution in the premises.

Dated: _____, ___.

_____

In the presence of:

_____

[THIS IS THE END OF EXHIBIT A]

EXHIBIT B

THE CITY OF CHARLESTON, WEST VIRGINIA

NOTICE OF PUBLIC HEARING and ABSTRACT OF BOND ORDINANCE

Notice is hereby given to any person interested that on March 19, 2001, the Council of The City of Charleston, West Virginia (the "City") adopted an ordinance which:

1. Authorized the acquisition by merger of the assets of Guthrie Public Service District (the "District") to be incorporated in the City's wastewater treatment system (the "System") and the assumption of the District's outstanding bond debt through the issuance of not more than $855,000 in aggregate principal amount of Sewerage System Revenue Bonds (the "Bonds").

2. Directed that the Bonds be issued in two or more series and in the form of one bond each, fully registered with a payment record attached; that interest on the Bonds shall be no more than twelve percentum (12%) per annum, that said Bonds mature in not more than forty years and that said Bonds be issued for the par value thereof; that the Bonds be executed in the name of the City by the Mayor, and the seal of the City be affixed thereto and attested to by the City Clerk; that such Bonds be duly authenticated by the Registrar and delivered to the West Virginia Water Development Authority.

4. Directed the continuation of the Revenue Fund and the disposition of the System revenues; provided for the payment of operating expenses; provided for the monthly payment of principal and interest when due; provided for the creation of reserve accounts for the Bonds and continuation of a Renewal and Replacement Fund; and provided for the use of excess funds of the System.

5. Pledged the Net Revenues of the System to payment of the Bonds.

The City contemplates the issuance of the Bonds described in, and under the conditions set forth in the Ordinance abstracted above. Any person interested may appear before the Council of the City of Charleston at a regular meeting thereof at 7:00 p.m., prevailing time, on April 2, 2001, at the Council

Chambers, City Hall, Charleston, West Virginia, and present objections and be heard as to whether the above described Ordinance shall be put into effect.

A certified copy of the Ordinance as adopted by the Council of City on March 19, 2001, is on file with the City Clerk for review by interested persons at the City Hall during regular office hours, to-wit: 8:00 a.m. to 4:00 p.m., Monday through Friday.

/s/

City Clerk -- The City of Charleston,
West Virginia

CERTIFICATE OF TRUTH AND ACCURACY

I, the undersigned, as Clerk of The City of Charleston, Kanawha County, West Virginia, do hereby certify that the foregoing document is a true and accurate copy of an official record of The City of Charleston, such records being in the custody of the undersigned and maintained at The City of Charleston, City Hall, Charleston, Kanawha County, West Virginia, and that the action taken by the Council in the foregoing document remains in full force and effect and has not been amended or repealed.

Dated this ___ day of March, 2001.

_____
City Clerk

[SEAL]

PETITION OF THE SANITARY BOARD
OF
THE CITY OF CHARLESTON, WEST VIRGINIA

TO THE COUNCIL OF THE CITY OF CHARLESTON, WEST VIRGINIA:

Pursuant to the provisions of Chapter 16, Article 13, Section 5 of the Code of West Virginia, 1931, as amended, the Sanitary Board (the "Sanitary Board") of The City of Charleston, West Virginia (the "City"), which was established pursuant to an ordinance passed by the Council of the City (the "Council") on June 16, 1952, hereby petitions the Council to enact an ordinance which shall:

(a) set forth a brief and general description of additions, betterments and improvements to the existing sewerage system of the City, concerning the proposed merger of the Guthrie Public Service District (the "District"). The City currently treats sewerage from the District and performs many other functions pursuant to an operating agreement approved by the West Virginia Public Service Commission ("PSC"). Pursuant to an agreement dated April 13, 1999, between the City and the District, as approved by the PSC, the City will take possession of all the property and assets of the District, the City will assume all of the legal and financial obligations of the District and the customers served by the District will become the customers to be served by the City (the "Project");

(b) order the acquisition of the Project;

(c) direct that sewerage system revenue bonds of the City be issued pursuant to Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended. The City shall issue sewerage system revenue bonds to replace the District's outstanding bonds in an approximate amount of $854,231.89; and

(d) contain such other provisions as may be necessary in the premises.

WITNESS our signatures on this 16th day of February, 2001.

THE SANITARY BOARD OF THE CITY OF CHARLESTON, WEST VIRGINIA

By: _____
Mayor of the City and
Chairman of Sanitary Board

_____
Member

_____
Engineer-Member

C0458972.1

The question being on the passage of the Bill a roll call was taken and there were; yeas-23, nays-0, absent-2, abstentions-2, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Jones, Knauff, Lane, David Lanham, James Lanham, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Henry and Kimberling.

ABSTAIN: Loeb and Prunty.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Bill No. 6777 passed unanimously.

11. Your Committee on Finance has had under consideration Bill No. 6780, authorizing the issuance by The City of Charleston of not to exceed $3,500,000 in aggregate principal amount of The City of Charleston Community Revenue Bonds (Family Enrichment Center Project), Series 2001, to finance a portion of the costs of the acquisition of real property and the reconstruction, improvement and equipment thereon of a family enrichment center and the loan of the proceeds thereof to Community Council of West Virginia, Inc., or any successor thereto, all as more fully set out herein; authorizing the execution and delivery of a Bond Trust Indenture, a Loan Agreement and other documents relating to the transaction; authorizing the sale of the bonds; appointing a trustee for the bonds; setting a public hearing with respect to such bonds and such family enrichment center; and taking other actions in connection with the issuance and sale of such bonds and such transaction, and reports the same to Council with the recommendation that the Bill do pass.

Bill No. 6780-

Ordinance No. 6780 Authorizing the issuance by The City of Charleston of not to exceed $3,500,000 in aggregate principal amount of The City of Charleston Community Revenue Bonds (Family Enrichment Center Project), Series 2001, to finance a portion of the costs of the acquisition of real property and the reconstruction, improvement and equipment thereon of a family enrichment center and the loan of the proceeds thereof to Community Council of West Virginia, Inc., or any successor thereto, all as more fully set out herein; authorizing the execution and delivery of a Bond Trust Indenture, a Loan Agreement and other documents relating to the transaction; authorizing the sale of the bonds; appointing a trustee for the bonds; setting a public hearing with respect to such bonds and such family enrichment center; and taking other actions in connection with the issuance and sale of such bonds and such transaction.

WHEREAS, The City of Charleston, West Virginia (the "City"), acting by and through this City Council, is authorized and empowered by law, including particularly the provisions of the Industrial Development and Commercial Development Bond Act (Chapter 13, Article 2C, of the Code of West Virginia, 1931, as amended) (the "Act"), for the public purposes set forth in the Act, to issue revenue bonds to defray the cost of acquisition or construction by others of health care facilities and office buildings, including improvements thereto and equipment therefor; and

WHEREAS, Community Council of Kanawha Valley, Inc., a West Virginia nonprofit corporation ("Community Council") has advised this City Council that it has acquired real property located at 5th Avenue and Patrick Street, Charleston, West Virginia (the "Property"), which it or its successor, as hereinafter described, intends to reconstruct, improve and equip as a family enrichment center, housing a health care clinic, a preschool program, a job training program and counseling and other services for families; and

WHEREAS, Community Council has advised this City Council that it is in the process of merging with United Way of Kanawha Valley, Inc., also a West Virginia nonprofit corporation ("United Way"); and

WHEREAS, Community Council has advised this City Council that it either is or is in the process of becoming the sole member of Community Project Development Corporation, also a West Virginia nonprofit corporation ("Community Project"); and

WHEREAS, Community Council has further advised this City Council that the Center will be operated by, and may be transferred in whole or in part to, Community Project; and

WHEREAS, Community Council and any successor thereto, whether by merger with United Way or assignment to Community Project, are hereinafter referred to as "Family Enrichment Center"; and

WHEREAS, Community Council has requested the City to issue revenue bonds entitled Community Revenue Bonds (Family Enrichment Center Project), Series 2001 (the "Bonds"), and to loan the proceeds thereof to Family Enrichment Center in such amount, not to exceed $3,500,000, as may be necessary for the purpose of financing a portion of the costs of acquisition of the Property, including if applicable repayment of all or a portion of the outstanding loan obtained to acquire the Property, and reconstruction, improvement and equipping of the family enrichment center (together, the "Project"), and payment of certain costs in connection with the issuance of the Bonds; and

WHEREAS, subject to the provisions of this Ordinance, this City Council has determined that the issuance of the Bonds to finance a portion of the costs of the Project and the loan of the Bond proceeds to Family Enrichment Center for such purpose are in the best interests of the citizens of the City; and

WHEREAS, this City Council has further determined that the Property is located entirely within the City's legal boundaries; and

WHEREAS, subject to the provisions of this Ordinance, the City, acting by and through this City Council, is willing to issue the Bonds pursuant to the Act.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CHARLESTON, WEST VIRGINIA:

Section 1. **Findings and Determinations**. This City Council specifically finds and determines as follows:

(a) This Ordinance is adopted pursuant to and in accordance with the provisions of the Act and constitutes the resolution referred to therein, and the Bonds shall be issued pursuant to the Act.

(b) The purposes for issuing the Bonds include, among other things, financing a portion of the costs of the Project through the loan of the Bond proceeds to Family Enrichment Center.

(c) It is necessary to have a public hearing upon the adoption of this Ordinance and prior to the issuance of the Bonds.

(d) The abstract of this Ordinance and the form of the notice attached to this Ordinance as Exhibit A contain sufficient information as to give notice of the contents of this Ordinance.

(e) The Project is in the best interests of the citizens of the City, promoting their health, happiness, safety, rights of gainful employment and general welfare, and is for a public purpose of the City.

(f) The findings and determinations set forth in the preambles to this Ordinance constitute findings and determinations as if they were set forth in full in this Section 1.

Section 2. **Authorization of Bonds**. This City Council hereby authorizes and directs the issuance by the City of the Bonds in the aggregate principal amount necessary, together with other funds available to Community Council, to finance a portion of the costs of the Project, including if applicable repayment of all or a portion of the outstanding loan obtained to acquire the Property and payment of certain costs in connection with the issuance of the Bonds, but not to exceed $3,500,000. The Bonds shall be issued subject to the provisions of this Ordinance and in accordance with the provisions of the Bond Trust Indenture (the "Indenture") hereinafter described. The Bonds shall be in the principal amount, bear interest, mature and be subject to redemption, all as set forth in the Indenture. The form of the Bonds and the provisions for signatures, payment and redemption shall be as set forth in the Indenture.

Section 3. **Loan of Proceeds; Security**. The proceeds of the Bonds shall be loaned to Family Enrichment Center pursuant to the provisions of a Loan Agreement

hereinafter described. The payments by Family Enrichment Center under the Loan Agreement shall include (a) basic payments in such sums as shall be sufficient to pay the principal of and interest on the Bonds, as and when the same shall become due and payable, and (b) additional payments in such sums as shall be sufficient to pay the fees and expenses of the trustee, paying agent and other fiscal agents, if any, for the Bonds and related costs and expenses. Family Enrichment Center shall have the option to make prepayments under the Loan Agreement.

The Bonds shall be secured by the pledge effected by the Indenture and shall be payable from and secured by a pledge of the Loan Agreement and any other property or funds described in the Indenture, including a first lien on the Project and liens on or pledges of the proceeds of grants and contributions made to Family Enrichment Center for the purpose of the Project and the rentals under the leases entered in connection with the Project. The Bonds and the interest thereon are special, limited obligations of the City and are payable solely from the revenues and funds derived pursuant to the Loan Agreement, which revenues, funds and security have been pledged and assigned to the Trustee (as hereinafter defined) to secure payment of the Bonds, and any other amounts held under the Indenture. The Bonds and the interest thereon shall never constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation; shall never constitute or give rise to a pecuniary liability of the City or a charge against the general credit or taxing power of the City; and, shall never give any right against any member of the City Council or officer of the City.

Section 4. **Documents**. This City Council hereby approves the execution and delivery of the Bonds and of the following documents in connection with the Bonds, the proposed forms of which will be presented with and, assuming they are acceptable to this City Council, approved by the Supplemental Resolution to be adopted by this City Council if it determines after the public hearing described in Section 7, below, to put this Ordinance into effect (the "Supplemental Resolution"):

(a) the Indenture between the City and the Trustee;

(b) the Purchase Agreement between the City and the Purchaser (as hereinafter defined);

(c) the Loan Agreement between the City and Family Enrichment Center;

(d) the Credit Line Deed of Trust from Family Enrichment Center for the benefit of the Trustee, as assignee of the City under the Indenture;

(e) the Security Agreement from Family Enrichment Center for the benefit of the Trustee, as assignee of the City under the Indenture;

(f) the Collateral Assignment of Agreements from Family Enrichment Center for the benefit of the Trustee, as assignee of the City under the Indenture; and

(g) the Assignment of Rentals and Leases from Family Enrichment Center for the benefit of the Trustee, as assignee of the City under the Indenture; and

(h) Arbitrage Certificate and Tax Regulatory Agreement.

Upon approval of the forms of such documents by the Supplemental Resolution, the Mayor and the City Clerk, each is hereby authorized and directed to execute and deliver such documents, with such changes, insertions and omissions as may be approved by the Mayor, whose execution thereof shall be conclusive evidence of such approval, and the City Clerk is hereby authorized and empowered to affix the seal of the City and to attest to the same for and on behalf of the City. The Mayor and the City Clerk, as appropriate, each is hereby authorized to take any action, execute, acknowledge and deliver any certificates, instruments or documents or give any consent that may from time to time be required by the City under any of the aforesaid documents or this Ordinance. Any such action taken, document executed or consent given by such officer in his or her official capacity shall be deemed to be an act by the City, and any such action, execution or consent shall be conclusive evidence that the same is authorized by this Ordinance.

Section 5. **Execution and Delivery of the Bonds**. The Bonds shall be executed and delivered in accordance with the provisions of the Indenture and shall be delivered to Branch Banking and Trust Company and such other bank or banks as may be set forth in the Supplemental Resolution (together, the "Purchaser").

Section 6. **Trustee**. Branch Banking and Trust Company is hereby appointed as the trustee (the "Trustee") under the Indenture.

Section 7. **Notice**. The City Clerk shall cause an abstract of this Ordinance with notice in substantially the form of Exhibit A attached hereto and incorporated in this Ordinance by reference to be published once a week for two successive weeks in the *Charleston Gazette* and *The Daily Mail*. Unless otherwise specified by this City Council upon adoption of this Ordinance, the public hearing shall be held at 7:00 p.m., on Monday, April 2, 2001, in Council Chambers at City Hall, Charleston, West Virginia.

Section 8. **TEFRA Notice**. In addition to the notice described in Section 7, above, the City Clerk shall cause a notice in substantially the form of Exhibit B attached hereto and incorporated in this Ordinance by reference to be published as a Class II legal advertisement, with the first publication thereof being at least 14 days prior to the date of the public hearing described therein, which public hearing shall be held at such time, on such date and otherwise pursuant to said notice.

Section 9. **Statutory Mortgage Lien**. The City hereby waives the statutory mortgage lien provided by Section 8 of the Act.

Section 10. **Bank-Qualified Obligations**. The City hereby designates the Bonds as qualified tax-exempt obligations as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended. This City Council certifies and covenants with the Purchaser and any subsequent owners of the Bonds that (i) neither the City nor any agency, board, subdivision or other subordinate entity of the City or this City Council has heretofore, during the calendar year 2001, issued any tax-exempt obligation; (ii) the City does not, as of the date hereof, reasonably expect to issue, or that any agency, board, subdivision or other subordinate entity of the City or this City Council will issue, tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds or other bonds not taken into account under Section 265(b)(3)(C) of the Code), including the Bonds, in excess of $10,000,000 during calendar year 2001; and (iii) the City will not, during calendar year 2001, issue any additional tax-exempt obligations, designating the same as qualified tax-exempt obligations, if the effect of such designation would be to cause the total aggregate amount of qualified tax-exempt obligations of the City and any agency, board, subdivision or subordinate entity of the City or this City Council issued during calendar year 2001 to exceed $10,000,000.

Section 11. **No Liability of City**. The provisions of this Ordinance are not intended to, and shall not be construed or interpreted to, either (a) obligate, or authorize the expenditure of, any funds or moneys of the City from any source whatsoever other than the proceeds from issuance and sale of the Bonds as provided for in this Ordinance and the revenues and other funds arising from the Project, or (b) create any personal liability of the members of this City Council or officers of the City from time to time.

Section 10. **Effective Date**. This Ordinance shall go into effect immediately after the hearing thereon described in Section 7, above; provided, however, that if at such hearing the City determines that sufficient objections or suggestions have been raised, or that 30% or more of the property owners of the City have filed written protests with respect to the financing provided for in this Ordinance, the City shall take such further action with respect to this Ordinance as it deems appropriate and in accordance with the Act.

First Reading: _____

Second Reading: _____

Public Hearing: _____

EXHIBIT A

ABSTRACT OF ORDINANCE AND NOTICE OF PUBLIC HEARING ON APRIL 2, 2001

Notice is hereby given that on Monday, April 2, 2001, at 7:00 p.m., prevailing local time, a public hearing will be held in the Council Chambers, City Hall, 501 Virginia Street, East, Charleston, West Virginia, at which time and place all parties of interest may appear before The City of Charleston (the "City") and be heard as to whether the following described Ordinance adopted by the City Council shall be put into effect:

The Ordinance was adopted by the City Council on March 19, 2001, and authorizes and directs the issuance of not to exceed $3,500,000 in aggregate principal amount of The City of Charleston Community Revenue Bonds (Family Enrichment Center Project), Series 2001 (the "Bonds"), to finance a portion of the costs of acquisition, reconstruction, improvement and equipping of property located at 5th Avenue and Patrick Street, Charleston, as a family enrichment center, which is expected to house a health care clinic, a preschool program, a job training program and counseling and other services for families (the "Project"). The Bonds will be issued and secured pursuant to a Bond Trust Indenture (the "Indenture") to be entered by the City and Branch Banking and Trust Company, as trustee.

The Ordinance further authorizes and directs the proceeds of the Bonds to be loaned to Community Council of Kanawha Valley, Inc., or any successor thereto, including by merger with United Way of Kanawha Valley, Inc., or assignment to Community Project Development Corporation (together, "Family Enrichment Center"), pursuant to the terms of a Loan Agreement. The Bonds will be secured by a pledge of the Loan Agreement and any other property or funds described in the Indenture, including a first lien on the Project and liens on or pledges of the proceeds of grants and contributions made to Family Enrichment Center for the purpose of the Project and the rentals under the leases entered in connection with the Project. The Bonds and the interest thereon are special, limited obligations of the City and are payable solely from the revenues and funds derived pursuant to the Loan Agreement and any other amounts held under the Indenture.

A certified copy of the Ordinance is on file for review by interested persons during regular office hours in the office of the City Clerk, City Hall, Charleston, West Virginia.

_____

City Clerk

EXHIBIT B

NOTICE OF PUBLIC HEARING

Take notice that, for purposes of Section 147 of the Internal Revenue Code of 1986, as amended, The City Council of The City of Charleston, West Virginia (the "City Council"), will hold a public hearing at 7:00 p.m. on Monday, the 2nd day of April 2001, in the Council Chambers, City Hall, 501 Virginia Street, East, Charleston, West Virginia, with respect to the proposed issuance by The City of Charleston, West Virginia (the "City"), of special, limited obligations, to be titled Community Revenue Bonds (Family Enrichment Center Project), Series 2001, in the maximum aggregate principal amount of $3,500,000 (the "Bonds"). The proceeds of the Bonds will be loaned by the City to Community Council of Kanawha Valley, Inc., a West Virginia nonprofit corporation, or any successor thereto, including by merger with United Way of Kanawha Valley, Inc., also a West Virginia nonprofit corporation or by assignment to Community Project Development Corporation, as described below (together, "Family Enrichment Center"). The Bond proceeds will be used, together with other funds available to Family Enrichment Center, to pay the costs of acquisition, reconstruction, improvement and equipping of a family enrichment center, including if appropriate repayment of all or a portion of the loan Family Enrichment Center incurred for the acquisition of property upon which the family enrichment center will be located (the "Project"), and paying certain costs in connection with the issuance of the Bonds. The Project will be located on the property that previously housed West Virginia Tractor Sales, at 5th Avenue and Patrick Street, Charleston, West Virginia.

The Project will be operated by, and may be transferred in whole or in part to, Community Project Development Corporation, which is also a West Virginia nonprofit corporation and which has or will prior to the issuance of the Bonds have Community Council of Kanawha Valley, Inc., as its sole member. The Project will house various nonprofit agencies, which are expected to provide an integrated service delivery system, including a health care clinic, a preschool program, a jobs training program and counseling and other services, available to families and individuals needing services. The agencies, which may change from time to time but which must be public entities or otherwise designated by the Internal Revenue Service as tax-exempt, will enter into leases with Family Enrichment Center. Although the rentals under the leases will serve as security for the Bonds, the Bonds will be repaid primarily from the proceeds of grants and contributions made to Family Enrichment Center for the purpose of the Project.

The Bonds will be special, limited obligations of the City, payable solely from the loan payments from Family Enrichment Center, and will not constitute a debt or obligation of the City, the State of West Virginia or any other public body or be in any way payable from taxes or other public funds.

All interested persons are invited to attend the public hearing and express their opinions regarding the Project and the Bonds.

Questions, requests for additional information or written comments prior to the public hearing may be directed in writing to the City in care of Sherry Risk, City Manager, City Hall, 501 Virginia Street, East, Charleston, West Virginia 25301, or to Taunja Willis-Miller, Jackson & Kelly PLLC, 1600 Laidley Tower, Charleston, West Virginia 25301.

The question being on the passage of the Bill a roll call was taken and there were; yeas-23, nays-0, absent-2, abstentions-2, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Jones, Knauff, Lane, David Lanham, James Lanham, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Henry and Kimberling.

ABSTAIN: Loeb and Prunty.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Bill No. 6780 passed unanimously.

12. Your Committee on Finance has had under consideration payment of an invoice from Community Council of Kanawha Valley, in the amount of $37,563.61, for reimbursement of first and second quarter expenses covering salaries, mileage and program development;
To be charged to Account No. 25-000-00-011, CDBG-Public Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a roll call was taken and there were; yeas-25, nays-0, absent-2, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Jones, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Henry and Kimberling.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared the committee report adopted unanimously.

13. Your Committee on Finance has had under consideration payment of an invoice from Bowles, Rice, McDavid, Graff & Love PLLC, in the amount of $1,309.60, for professional services rendered during the month of February 2001, for General Worker's Compensation;
To be charged to Account No. 01-417-0-0-2-023, Legal Department-Professional Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent, with Lane, Loeb and Markham abstaining, the Mayor declared the committee report adopted unanimously.

REPORTS OF OFFICERS

1. City Treasurer's Report to City Council Month Ending February 2001; Received and Filed.

2. City of Charleston Financial Statements For The Eight-Month Period Ended February 28, 2001; Received and Filed.

NEW BILLS INTRODUCED

None.

UNFINISHED BUSINESS

Don Carr's birthday is today, the 19th.

Councilman James Lanham's birthday is March 20th.

Councilman John Charnock's birthday is March 23rd.

Councilwoman Sara Crickenberger's birthday is March 27th.

ROLL CALL

The Clerk called the roll and the following members were in attendance:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Jones, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Pettry, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

At 7:35 p.m., on motion of Councilman Loeb, Council adjourned until Monday, April 2, 2001.

Jay Goldman, Honorable Mayor

James M. Reishman, City Clerk

CERTIFICATE OF AUTHENTICITY

I, the undersigned City Clerk of the City of Charleston, do hereby certify that the foregoing is a true, correct and complete copy of Public Hearing on Bill No. 6777, enacted by the Charleston City Council on April 2, 2001.

Witness the signature of the undersigned City Clerk of the City of Charleston, West Virginia, and the seal of said City, this 24th day of April, 2001.

Seal

James M. Reishman, City Clerk

JOURNAL

OF THE

COUNCIL

CITY OF CHARLESTON

WEST VIRGINIA

APRIL 02, 2001

THE COUNCIL MET IN CHAMBERS OF THE CITY BUILDING AT 7:00 P.M., FOR THE FIRST MEETING IN THE MONTH OF APRIL, ON THE 2ND DAY, IN THE YEAR 2001, AND WAS CALLED TO ORDER BY THE HONORABLE MAYOR, JAY GOLDMAN.

PRAYER WAS OFFERED BY HENRY KNAUFF, WARD 7 COUNCIL.

THE CLERK CALLED THE ROLL AND THE FOLLOWING MEMBERS ANSWERED TO THEIR NAMES:

CHARNOCK
CRICKENBERGER
DAVIS
FOUTY-YOUNG
HAAS
HARRIS
HENRY
JONES
KIMBERLING
KNAUFF
LANE
DAVID LANHAM
JAMES LANHAM
LOEB
LOPEZ
MARKHAM
MCKNIGHT
MOLGAARD
MORTON
NIELSEN
PRUNTY
QUICK
REISHMAN
ROLLER
TALKINGTON
MAYOR GOLDMAN

TWENTY-SIX MEMBERS BEING PRESENT, WITH PETTRY ABSENT, THE MAYOR DECLARED A QUORUM.

PENDING THE READING OF THE JOURNAL OF THE PREVIOUS MEETING, THE READING THEREOF WAS DISPENSED WITH AND THE SAME DULY APPROVED.

PUBLIC HEARING

Mayor Goldman stated the following:

Pursuant to the provisions of Chapter 8, Article12, Section18, of the West Virginia Code, and after duly being advertised as required on March 30, 2001, I now declare the floor open for a Public Hearing on a Site Lease Agreement.

The Chair sees no one from the public. The Chair hears no one from the public. The Chair declares the Public Hearing closed.

PUBLIC HEARING

Pursuant to the provisions of Chapter 16, Article 13, of the West Virginia Code, and after duly being advertised as required on March 21st and 28th, 2001, I now declare the floor open for a Public Hearing on Bill Number 6777.

The Chair sees no one from the public. The Chair hears no one from the public. The Chair declares the Public Hearing closed.

PUBLIC HEARING

Pursuant to the provisions of Chapter 13, Article 2-C, of the West Virginia Code, and after duly being advertised as required on March 21st and 28th and Pursuant to Section 147 of the Internal Revenue Code of 1986, as amended, and duly being advertised on March 16th, 2001, I now declare the floor open for a Public Hearing on Bill Number 6780.

The Chair sees no one from the public. The Chair hears no one from the public. The Chair declares the Public hearing closed.

PUBLIC SPEAKERS

1. Sharen Sumpter - Deitz
2. David Long

CLAIMS

1. A Claim of Pearl V. Jones; 708 Park Avenue, Charleston, WV; alleges damage to vehicle; Referred to City Solicitor.

2. A Claim of Joyce L. Hill; P.O. Box 353, Belle, WV; alleges personal injury; Referred to City Solicitor.

3. A Claim of Lawrence L. Cassis; 4701 Venable Avenue S.E., Charleston, WV; alleges damage to property; Referred to City Solicitor.

4. A Claim of Nancy Slone Rogers; alleges personal injury; Referred to City Solicitor.

COMMUNICATIONS

PROCLAMATIONS

FOUR FOLLOWING

EXECUTIVE DEPARTMENT
CITY OF CHARLESTON

PROCLAMATION

By the Mayor

WHEREAS: America's crime victim compensation programs have had a powerful impact in educating our nation about the devastating effects of crime and the need to provide support and services to individuals hurt by crime; and

WHEREAS: Victimization rates in the United States are the lowest recorded since 1973 and still there were nearly 29 million people in America who were victimized by crime last year; and

WHEREAS: The year 2001 marks the 25th anniversary of the Victim Impact Statement and the 20th anniversary of the West Virginia Crime Victims Compensation Act; and

WHEREAS: The voices of our nations victims have had a powerful effect in changing laws, policies and attitudes to promote victims' rights and services and encouraging every person in America to take a stand and help crime victims; and

WHEREAS: Crime victims are finally being treated with the dignity and respect they deserve and our nation's commitment to crime victims assistance grows stronger with each passing year, with over 10,000 programs in place to provide help and hope to victims of crime.

NOW, THEREFORE, I, Jay Goldman, Mayor of the City of Charleston, West Virginia do hereby proclaim the month of April 2001 as:

CHARLESTON CRIME VICTIMS' RIGHTS MONTH

and hope that we continue to reach for the stars of justice and compassion for crime victims as individuals, as communities, and as a nation dedicated to justice for all.

WHEREAS: IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the Executive Department to be affixed this the 2nd day of April 2001.

Jay Goldman, Mayor

EXECUTIVE DEPARTMENT

CITY OF CHARLESTON

PROCLAMATION

By the Mayor

WHEREAS: Don Nehlen, the former Head Coach of the WVU Mountaineer Football team, is the most successful coach in WVU history and was one of the 10 most winningest active coaches among NCAA 1-A coaches among his many accomplishments at WVU; and

WHEREAS: Don Nehlen has given 40 years of his life to the game of football, contributing the most to the tremendous success of the WVU football program through patience and careful crafting; and

WHEREAS: Don Nehlen has led his WVU football program to 12 bowl games and 15 postseason appearances total and his teams have won more than 60 percent of their games; and

WHEREAS: Don Nehlen recently completed a year as the president of the American Football Coaches Association, displaying his desire to stay active within the game; and

WHEREAS: Don Nehlen exhibits the qualities of a true leader and serves as an inspiration to all of those who aspire to greatness both on and off of the field.

NOW THEREFORE: I, Jay Goldman, Mayor of the City of Charleston, do hereby proclaim March 26, 2001 in honor of:

DON NEHLEN, FORMER WVU HEAD FOOTBALL COACH

IN WITNESS HEREOF, I have hereunto set my hand and caused the Seal of the Executive Department to be affixed this 2nd day of April 2001.

Jay Goldman, Mayor

EXECUTIVE DEPARTMENT

CITY OF CHARLESTON

PROCLAMATION

By the Mayor

WHEREAS: Marshall University serves as an institution of higher learning for students of all ages and backgrounds on several campus locations in West Virginia; and

WHEREAS: Marshall University provides educational opportunities ranging from continuing education courses, associate and four-year baccalaureate degrees and a graduate college encompassing a wide array of programs; and

WHEREAS: Marshall University serves as a source of pride and community spirit in both the City of Charleston and throughout West Virginia through its success in academics and athletics; and

WHEREAS: Marshall University plays an essential role in the future growth and success of the City of Charleston and its citizens; and

WHEREAS: The 2nd Annual Marshall University Day in the City of Charleston will be held on April 11, 2001, for friends and family who bleed green to come together and honor this great institution for its numerous contributions through the years.

NOW THEREFORE: I, Jay Goldman, Mayor of the City of Charleston, do hereby proclaim April 11, 2001 in honor of:

2nd ANNUAL MARSHALL UNIVERSITY DAY

IN WITNESS HEREOF, I have hereunto set my hand and caused the Seal of the Executive Department to be affixed this 2nd day of April 2001.

Jay Goldman, Mayor

EXECUTIVE DEPARTMENT

CITY OF CHARLESTON

PROCLAMATION

By the Mayor

WHEREAS: The Holocaust was the systematic persecution and annihilation of six million Jews, and millions more Gypsies, handicapped, Poles, homosexuals, Jehovah's Witnesses, Soviet prisoners of war and political dissidents throughout Europe by the German Nazis between 1933 and 1945; and

WHEREAS: Whereas, the history of the Holocaust offers an opportunity to reflect on the moral responsibilities of individuals, societies and governments and how those targeted for destruction were for racial, ethnic or national reasons; and

WHEREAS: We the people of the City of Charleston should always remember the frightening events of the Holocaust and remain vigilant against hatred, persecution and tyranny; and

WHEREAS: We the people of the City of Charleston should actively rededicate ourselves to the principles of individual freedom in a just society; and

WHEREAS: The Days of Remembrance have been set aside for the people of the City of Charleston to remember the victims of the Holocaust as well as to reflect on the need for respect of all peoples; and

WHEREAS: Pursuant to an Act of Congress (Public Law 96-388, October 7, 1980) the United States Holocaust Memorial Council designates the Days of Remembrance of the Victims of the Holocaust to be Sunday, April 15 through Sunday April 22, 2001, including the international Day of Remembrance known as *Yom Hashoah*, April 19; and

NOW THEREFORE: I, Jay Goldman, Mayor of the City of Charleston, do hereby proclaim the week of April 15 through April 22, 2001 in memory of Holocaust victims and survivors as the:

DAYS OF REMEMBRANCE AND INTERNATIONAL DAY OF REMEMBRANCE, KNOWN AS *YOM HASHOAH.*

IN WITNESS HEREOF, I have hereunto set my hand and caused the Seal of the Executive Department to be affixed this 2nd day of April 2001.

Jay Goldman, Mayor

MISCELLANEOUS RESOLUTIONS

None.

REPORTS OF STANDING COMMITTEES

PLANNING

Councilwoman Mary Jean Davis, Chairman of the Council Committee on Planning, submitted the following reports.

1. Your Committee on Planning has had under consideration Bill Number 6776, attached hereto and made a part hereof. Your Committee finds that the amended Vandalia/Woodland Terrace Neighborhood Revitalization Plan is for the general purpose of guiding and accomplishing a coordinated, adjusted and harmonious development of the Vandalia/Woodland Terrace Neighborhood, and reports the same to Council with the recommendation that the Bill do pass.

Bill No. 6776–, a Bill amending the Comprehensive Plan for the City of Charleston, Kanawha County, West Virginia, pursuant to Chapter 8, Article 24, of the West Virginia Code 1931, as amended said amended Vandalia/Woodland Terrace Neighborhood Revitalization Plan being for the general purpose of guiding and accomplishing a coordinated, adjusted and harmonious development of the Vandalia/Woodland Terrace Neighborhood and to promote the health, safety morals, order, convenience, prosperity and general welfare of the inhabitants covered by the plan and calling for a public hearing thereon.

Be it Ordained by the Council of the City of Charleston, West Virginia:

1. The proposed Vandalia/Woodland Terrace Neighborhood Revitalization Plan for the Vandalia/Woodland Terrace of the City of Charleston, West Virginia, as filed in the office of the Clerk of the City Council , is hereby adopted.

2. The adopted Revitalization Plan shall be enforced by the existing Zoning Ordinance and Subdivision regulations of the City of Charleston until such time they are amended or new ones are adopted.

3. That a public hearing concerning such proposed Plan is hereby called three o'clock on March 7, 2001 in Council Chambers on the third floor of City Hall, Court and Virginia Streets, Charleston, West Virginia, for the purpose of hearing all parties interested in such Revitalization Plan, and that at said hearing on this date all such parties may appear and be heard and present any argument or evidence for or against the enactment of said Revitalization Plan.

4. The Comprehensive Plan as adopted by City Council May 20, 1996, by Bill No. 6074, is hereby amended to include the Vandalia/Woodland Terrace Neighborhood Revitalization Plan.

The question being on the passage of the Bill a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Bill No. 6776 passed unanimously.

2. Your Committee on Planning has had under consideration request for dedication and acceptance of Brewster Street attached hereto and made a part hereof. Your Committee finds that the street does not meet the criteria for dedication for the following reasons:

1. There are only three dwellings that are in the city limits.
2. There are two broken areas of concrete street that are broken and sinking and will cause slippage. They would need to be repaired before considering the acceptance of the street.
3. There is no Y turnaround on the city limits for city vehicles to turn around and they must go 1/8 of a mile outside the city limits to turn.
4. There is no guardrail on the left side at a steep grade.
5. The street is generally 10' of concrete pavement with no room to widen the street or provide pull-off areas,

and reports the same to Council with the recommendation that the street dedication be rejected.

The question being on the approval of the street dedication a vote was taken. With a majority of members voting in the negative the Mayor declared Brewster Street dedication denied unanimously.

FINANCE

Councilman Larry Roller, Chairman of the Council Committee on Finance, submitted the following reports.

1. Your Committee on Finance has had under consideration Resolution No. 721-01, authorizing the Finance Director to make revision to the 2000-2001 General Fund budget as indicated on the attached list of accounts, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 721-01–"Authorizing the Finance Director to make revisions to the 2000-2001 General Fund budget as indicated on the attached list of accounts."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Finance Director is hereby authorized and directed to make revisions to the 2000-2001

General Fund budget as indicated on the attached list of accounts; and be it

FURTHER RESOLVED that this budgetary revisions is being made prior to the expenditure or obligation of funds for which no appropriation of funds for which no appropriation or insufficient appropriation currently exists.

General Fund 2000-2001 Budget Amendment No. 15 - April 2 , 2001

01-952-00-000-1-003	Spring Hill Cemetery	Salaries & Wages	26,940
01-952-00-000-1-004		FICA	2,060
01-952-00-000-2-030		Contracted Services	(29,000)

Transfer funds to provide for IPT employees rather than using temporary services.

01-952-00-000-2-020	Spring Hill Cemetery	Advertising/Legal Publications	(800)
01-952-00-000-3-047		Resale Merchandise	(800)
01-952-00-000-4-059		C/O-Equipment	1,600

Provide funds for purchase of 32" Walk-behind Mower.

NOT REPORTABLE:

To maintain compliance with budgetary guidelines of the State of West Virginia, State Auditors Office, Chief Inspector Division.

01-566-00-000-1-003	Public Works	Salaries & Wages	8,768
01-566-00-000-1-004		FICA	671
01-566-00-000-1-005		Medical & Life Insurance	1,136
01-566-00-000-1-006		Retirement	833
01-566-00-000-1-008		Dental/Optical Insurance	81
01-566-00-000-1-009		Insurance-Payroll Deduction	(352)
01-566-00-000-2-026		Insurance-WCUC	401
01-699-00-000-5-098	Contingency		463
01-422-00-000-2-030	Human Resources	Contracted Services	(12,000)

Provide for a " Workers Compensation Admin. Specialist", G-4 ($35,070).

01-567-00-000-2-016	Public Grounds	M&R-Equipment	1,200
01-750-00-000-2-019	Street	Building & Equipment Rents	(1,200)

Provide funds for repair of water fountain at Slack Plaza.

REPORTABLE:

To maintain compliance with budgetary guidelines of the State of West Virginia, State Auditors Office, Chief Inspector Division.

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 721-01 adopted unanimously.

2. Your Committee on Finance has had under consideration Resolution No. 722-01, authorizing the Mayor to enter into a contract with Pappy's Heating and Cooling, in the amount of $5,500, to provide all materials and labor for installation of a heat pump and air handler system at Cato Park Golf Course Clubhouse; To be charged to Account No. 58-900-0-0-4-060, P&R—Capital Outlay, Major Improvements, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 722-01–"Authorizing the Mayor to enter into a contract with Pappy's Heating and Cooling, in the amount of $5,500, to provide all materials and labor for installation of a heat pump and air handler system at the Cato Park Golf Course Clubhouse."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a contract with Pappy's Heating and Cooling, in the amount of Five Thousand Five Hundred Dollars ($5,500), to provide all materials and labor for installation of a heat pump and air handler system at the Cato Park Golf Course Clubhouse.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 722-01 adopted unanimously.

3. Your Committee on Finance has had under consideration Resolution No. 723-01, authorizing $500,000 from existing City funds to be expended for improvements to the tennis courts at the Kanawha City Community Center. All City funds will be reimbursed over a 5-year period through a grant from an anonymous donor (see attached funding proposal), and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No.723-01– "Authorizing $500,000 from existing City funds to be expended for improvements to the tennis courts at the Kanawha City Community Center. All City funds will be reimbursed over a 5-year period through a grant from an anonymous donor (see attached funding proposal)."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That existing City funds in the amount of Five Hundred Thousand Dollars ($500,00) to be expended for improvements to the tennis courts at the Kanawha City Community Center are hereby approved. All City funds will be reimbursed over a 5-year period through a grant from an anonymous donor (see attached funding proposal).

CITY OF CHARLESTON
KANAWHA CITY RECREATION CENTER
TENNIS FACILITY IMPROVEMENTS

Tentative Improvements

Description	Approximate Cost	Comments
Retaining Wall	$150,000	Funding required May 2001
Concession Stand	$120,000	Funding required May 2001
Renovate Courts	$230,000	Funding required August 2001
Total:	**$500,000**	

Proposed Temporary Funding Sources

Fund	December 2000 Balance
Infrastructure	$208,580.66 (assume $200,000)
Bridge Ramp	$800,652.10 (assume $800,000)

Proposed Cash Flow

Date	Task	Amount	Source	Fund Balance
May 2001	Retaining Wall and Concession Stand	($270,000)	$100,000 Donor $170,000 Inf	Inf - $30,000 BR - $800,000
July 2001	Lower Bridge Road Repair	($300,000)	$300,000 BR	Inf - $30,000 BR - $500,000
August 2001	Tennis Court Renovation	($230,000)	$30,000 Inf $200,000 BR	Inf - 0 BR - $300,000
May 2002	Donation	$100,000	Donor	Inf - 0 BR - $400,000
May 2003	Donation	$100,000	Donor	Inf - 0 BR - $500,000
July 2003	Repair Remaining Portion of Bridge Road	$500,000)	$500,000 BR	Inf - 0 BR - 0
May 2004	Donation	$100,000	Donor	Inf - $100,000 BR - 0
May 2005	Donation	$100,000	Donor	Inf - $200,000 BR - 0
July 2005	Paint Remainder of South Side Bridge (portion of required funding)	($200,000)	$200,000 Inf	Inf - 0 BR - 0

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 723-01 adopted unanimously.

4. Your Committee on Finance has had under consideration Resolution No. 724-01, authorizing the Finance Director to make payment to Roosevelt Smith, in the amount of $30,000, for settlement of claim, Civil Action Number 2:00-0220 Roosevelt Smith vs. Darrell Lambert, Eric Smith and the City of Charleston, in exchange for a full and final release of all claims against the defendants; To be charged to Account No. 01-417-0-0-2-029, Legal Department–Court Costs & Damages, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 724-01–"Authorizing the settlement of Civil Action Number 2:00-0220, Roosevelt Smith vs. Darrell Lambert, Eric Smith and the City of Charleston for the amount of Thirty Thousand Dollars ($30,000.00).

NOW THEREFORE, Be it Resolved by the Council of the City of Charleston, West Virginia:

That Civil Action Number 2:00-0220, Roosevelt Smith vs. Darrell Lambert, Eric Smith and the City of Charleston may be settled for payment of the amount of Thirty Thousand ($30,000.00) to the plaintiff Roosevelt Smith in exchange for a full and final release of all claims against the Defendants.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 724-01 adopted unanimously.

5. Your Committee on Finance has had under consideration Resolution No. 726-01, authorizing the Mayor to submit applications for the 2001 West Virginia Homeless Shelters Program (WVHSP) for 2001, in the amount of $125,000, to provide operating expenses, essential services and capital improvements for the following agencies; YWCA/Sojourners, YWCA/Resolve Family Abuse, Daymark, Covenant House, Roark Sullivan Lifeway Center, and RCCR/Samaritan Inn shelters (see attachment); and further authorizing the Mayor to sign the required agreements with the respective agencies, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 726-01–"Authorizing the Mayor to submit applications for the 2001 West Virginia Homeless Shelters Program (WVHSP) for 2001, in the amount of $125,000, to provide operating expenses, essential services and capital improvements for the following agencies:

YWCA/Sojourners, YWCA/Resolve Family Abuse, Daymark, Covenant House, Roark Sullivan Lifeway Center, and RCCR/Samaritan Inn shelters (see attachment); and further authorizing the Mayor to sign the required agreements with the respective agencies."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to submit applications for the 2001 West Virginia Homeless Shelters Program (WVHSP) for 2001, in the amount of One Hundred Twenty-five Thousand Dollars ($125,000), to provide operating expenses, essential services and capital improvements for the following agencies: YWCA/Sojourners, YWCA/Resolve Family Abuse, Daymark, Covenant House, Roark Sullivan Lifeway Center, and RCCR/Samaritan Inn shelters (see attachment); and further authorizing the Mayor to sign the required agreements with the respective agencies.

ESG 2001

	State	Federal
Sojourners	$ 26,000	$25,000
RFAP	20,000	7,000
Daymark	21,000	12,250
Covenant House	15,000	13,650
Roark Sullivan Lifeway Center	28,000	13,500
RCCR	15,000	13,600
	$125,000	$85,000

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 726-01 adopted unanimously.

6. Your Committee on Finance has had under consideration Resolution No. 727-01, authorizing the Mayor to enter into an agreement with the West Virginia Department of Transportation to receive and administer grant funds in the amount of $10,000 to be used to fund DUI checkpoints and roving DUI patrols during the months of May 2001 through August 2001, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 727-01-"Authorizing the Mayor to enter into an agreement with the West Virginia Department of Transportation to receive and administer grant funds in the amount of $10,000 to be used to fund DUI checkpoints and roving DUI patrols during the months of May 2001 through August 2001."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into an agreement with the West Virginia Department of Transportation to receive and administer grant funds in the amount of Ten Thousand Dollars ($10,000) to be used to fund DUI checkpoints and roving DUI patrols during the months of May 2001 through August 2001.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 727-01 adopted unanimously.

7. Your Committee on Finance has had under consideration Resolution No. 728-01, authorizing the Mayor to submit an application to the West Virginia Division of Criminal Justice Services (DCJS) requesting funds under the fiscal year 2001-2002 Juvenile Accountability Incentive Block Grant (JAIBG) program in the amount of $75,240. The funds will be used to reduce juvenile crime levels within the City of Charleston, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 728-01-"Authorizing the Mayor to submit an application to the West Virginia Division of Criminal Justice Services (DCJS) requesting funds under the fiscal year 2001-2002 Juvenile Accountability Incentive Block Grant (JAIBG) program in the amount of $75,240. The funds will be used to reduce juvenile crime levels within the City of Charleston."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to submit an application to the West Virginia Division of Criminal Justice Services (DCJS) requesting funds under the fiscal year 2001-2002 Juvenile Accountability Incentive Block Grant (JAIBG) program in the amount of Seventy-five Thousand Two Hundred Forty Dollars ($75,240). The funds will be used to reduce juvenile crime levels within the City of Charleston.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 728-01 adopted unanimously.

8. Your Committee on Finance has had under consideration Resolution No. 729-01, authorizing the Mayor to submit an application to the West Virginia Division of Criminal Justice Services (DCJS) requesting funds under the fiscal year 2001-2002 Drug and Violent Crime Control Program in the amount of $272,223 to provide for the continuation of funding for the MDENT Task Force Unit, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 729-01-"Authorizing the Mayor to submit an application to the West Virginia Division of Criminal Justice Services (DCJS) requesting funds under the fiscal year 2001-2002 Drug and Violent Crime Control Program in the amount of $272,223 to provide for the continuation of funding for the MDENT Task Force Unit."

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to submit an application to the West Virginia Division of Criminal Justice Services (DCJS) requesting funds under the fiscal year 2001-2002 Drug and Violent Crime Control Program in the amount of Two Hundred Seventy-two Thousand and Two Hundred Twenty-three Dollars ($272,223) to provide for the continuation of funding for the MDENT Task Force Unit.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 729-01 adopted unanimously.

9. Your Committee on Finance has had under consideration Resolution No. 730-01, authorizing the Mayor to enter into a Communication Site Lease Agreement (Tower) with Nextel WIP Lease Corp., a Delaware corporation, dba Nextel Partners, for approximately 200 square feet of land, located in the West District of Charleston, more commonly known as WV-014 Garfield, and space on the Tower situated on said premises, for a five-year period starting on the commencement date of construction. The rent will be at a rate of $1,800 per month for 12 months and increase each year, beginning with the second year, by three percent (3%) over the previous year's rent. Nextel has the option to renew the lease at the end of the five-year term for five (5) additional five-year periods, or a total of 30 years, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 730-01-"Authorizing the Mayor to enter into a Communications Site Lease Agreement (Tower) with Nextel WIP Lease Corp., a Delaware corporation, dba Nextel Partners, for approximately 200 square feet of land, located in the West District of Charleston, more commonly known as WV-014 Garfield, and space on the Tower situated on said premises, for a five-year period starting on the commencement date of construction. The rent will be at the rate of $1,800 per month for 12 months and increase each year, beginning with the second year, by three percent (3%) over the previous year's rent. Nextel has the option to renew the lease at the end of the five-year term for five (5) additional five-year periods, or a total of 30 years."

CERTIFICATE OF AUTHENTICITY

I, the undersigned City Clerk of the City of Charleston, do hereby certify that the foregoing is a true, correct and complete copy of Resolution No. 732-01, enacted by the Charleston City Council on April 2, 2001.

Witness the signature of the undersigned City Clerk of the City of Charleston, West Virginia, and the seal of said City, this 24th day of April, 2001.

Seal

James M. Reishman, City Clerk

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to enter into a Communications Site Lease Agreement (Tower) with Nextel WIP Lease Corp., a Delaware corporation, dba Nextel Partners, for approximately 200 square feet of land, located in the West District of Charleston, more commonly known as WV-014 Garfield, and space on the Tower situated on said premises, for a five-year period starting on the commencement date of construction. The rent will be at a rate of One Thousand Eight Hundred Dollars ($1,800) per month for 12 months and increase each year, beginning with the second year, by three percent (3%) over the previous year's rent. Nextel has the option to renew the lease at the end of the five-year term for five (5) additional five-year periods, or a total of 30 years.

The question being on the adoption of the Resolution a vote was taken. There being no dissent the Mayor declared Resolution No. 730-01 adopted unanimously.

10. Your Committee on Finance has had under consideration Resolution No. 732-01, finding that the Council of The City of Charleston, West Virginia (the "City"), adopted Bill No. 6777 on March 19, 2001, all as more fully set out therein; finding that notice was given of a public hearing to be held with regard to placing the Ordinance into effect; finding that the public hearing on the Ordinance was held and that no significant protest was made; finding that the Ordinance should be placed into effect; providing for the terms and conditions for the merger of the Guthrie Public Service District (the "District") into the sewerage system of the City; authorizing the assumption of the debt of the District; providing for the dates, maturities, interest rates, principal payment schedules and other terms of Sewerage System Revenue Bonds, re-designating the registrar and paying agent; and making other provisions as to the Bonds, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 732-01-"

Resolution No. 732-01

Introduced in Council

April 2, 2001

Introduced By:

Larry Roller

Adopted by Council

April 2, 2001

Resolution No. 732-01 finding that the Council of The City of Charleston, West Virginia (the "City"), adopted Bill No. 6777 on March 19, 2001, all as more fully set out therein; finding that notice was given of a public hearing to be held with regard to placing the Ordinance into effect; finding that the public hearing on the Ordinance was held and that no significant protest was made; finding that the Ordinance should be placed into effect; providing for the terms and conditions for the merger of the Guthrie Public Service District (the "District") into the sewerage system of the City; authorizing the assumption of the debt of the District; providing for the dates, maturities, interest rates, principal payment schedules and other terms of Sewerage System Revenue Bonds, re-designating the registrar and paying agent; and making other provisions as to the Bonds.

WHEREAS, the Council of The City of Charleston, West Virginia (the "Council"), on March 19, 2001, adopted Ordinance No.6777, all as more fully set out therein (said Ordinance is hereinafter referred to as the "Ordinance");

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Ordinance;

WHEREAS, the Ordinance, pursuant to Chapter 16, Article 13, Section 6, of the Code of West Virginia, 1931, as amended (the "Act"), directed the Clerk of the City (the "City Clerk") to publish an abstract of the Ordinance (the "Abstract"), together with a notice that the Ordinance has been adopted, that the City contemplates the issuance of the 2001 Bonds as described in the Ordinance and that any person interested may appear before the Council upon a certain day and present protests (the "Notice");

WHEREAS, the Ordinance required that the Abstract and Notice be published as a Class II legal advertisement in the Charleston Daily Mail and Charleston Gazette, newspapers of general circulation of the City, and the first publication of such Abstract and notice was to be not less than ten (10) days before the date set by the Ordinance and the Notice at which interested persons might appear before the Council and present protests, and the last publication of such Abstract and Notice was to be prior to said date set by the Ordinance and the Notice;

WHEREAS, the Ordinance and the Notice provided for a public hearing to be held at 7:00 p.m., prevailing time, on April 2, 2001, in Council Chambers in City Hall;

WHEREAS, the Ordinance provides for the issuance of The City of Charleston, West Virginia Sewerage System Revenue Bonds, in an aggregate principal amount not to exceed $855,000, in two or more series of bonds, and further provides that the dates, interest rates, maturities and other terms of and matters relating to the assumption of the District Bonds should be established by a supplemental resolution; and

WHEREAS, the 2001 Bonds are being issued to evidence the City's acquisition of the assets of the District and the assumption of certain outstanding debt of the District; and

WHEREAS, the Council of the City deems it essential and desirable that this resolution (the "Supplemental Resolution"), be adopted and that the assumption of the District's Bonds be herein provided for.

NOW, THEREFORE, be it resolved by the Council of The City of Charleston, West Virginia, as follows:

Section 1. It is hereby found and determined:

(A) That the Abstract and Notice were duly published in the Charleston Gazette and The Daily Mail, newspapers of general circulation in The City of Charleston with the first publication thereof being on March 21, 2001, which first publications were not less than ten (10) days before the day set by the Notice for the public hearing at which interested persons might appear before the Council of the City and present protests and suggestions and with the last publications thereof being on March 28, 2001, which last publication date was prior to said date set by the Notice for the public hearing, and a copy of the Affidavit of Publications reflecting such publications are attached hereto and incorporated herein;

(B) That in accordance with the Notice, the Clerk of the City has maintained in his office a certified copy of the Ordinance for review by interested persons during the regular office hours of such office;

(C) That, at Council Chambers, City Hall, Charleston, West Virginia on Monday, April 2, 2001, at 7:00 p.m. prevailing time, in accordance with the Notice, the Council met for the purpose of hearing protests and suggestions regarding whether the Ordinance should be put into effect and heard all protests and suggestions with regard thereto;

(D) That, at the public hearing, no significant reasons were presented that could require modification or amendment of the Ordinance and no written protest with regard thereto was filed by 30 percent or more of the freeholders of the City; and

(E) The Ordinance shall be put into effect as of the date hereof and the 2001 Bonds contemplated thereby shall be issued, all as provided in the Ordinance and this Supplemental Resolution.

Section 2. There are hereby authorized and ordered to be issued The City of Charleston Sewerage System Revenue Bonds, 2001 Series B and The City of Charleston Sewerage System Revenue Bonds, 2001 Series C for the purpose of assuming the District's Bonds, as set forth in the Ordinance:

(A) The first series of bonds of the City shall be originally represented by a single bond, designated "Sewerage System Revenue Bonds, 2001 Series B", numbered BR-1 shall be used to assume the District's Series 1990 A Bonds, shall be in the aggregate principal amount of $823,741, shall be dated the date of delivery thereof, shall finally mature on October 1, 2029, shall continue to bear interest at the rate of 7.85 percent per annum, and shall continue to be payable semi-annually on each April 1 and October 1 of each year. The principal shall continue to be payable annually on October 1 of each year, in the amounts as set forth in Schedule X attached to the District Loan Agreement and incorporated herein. The Bond shall be subject to redemption upon the written consent of the Authority, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the District Loan Agreement, so long as the Authority shall be the registered owner of the Bond.

(B) The second series of bonds of the City shall be issued originally represented by a single bond, designated "Sewerage System Revenue Bonds, 2001 Series C", numbered CR-1 shall be used to assume the District's Series 1990 B Bonds, shall be in the aggregate principal amount of $30,492 shall be dated the date of delivery thereof, shall finally mature on October 1, 2029, and shall continue to bear no interest. The principal shall continue to be payable annually on October 1 of each year in the amounts as set forth in Schedule X attached to the District Supplemental Loan Agreement and incorporated herein. The Bond shall be subject to redemption upon the written consent of the Authority, and upon payment of the redemption premium, if any, and otherwise in compliance with the District Supplemental Loan Agreement, so long as the Authority shall be the registered owner of the Bond.

(C) The 2001 Series B Bonds and 2001 Series C Bonds are being issued to evidence the City's assumption of the District Bonds. Therefore, no bond proceeds will be received. The reserve funds for the District's 1990 A Bonds and Series 1990 B Bonds, respectively, held at the West Virginia Municipal Bond Commission will be transferred to the respective 2001 Bonds reserve accounts established by the Ordinance as part of the merger, which reserve accounts will be fully funded upon the date of the closing.

(D) The assumption of the District Bonds through delivery of the 2001 Bonds to the Authority is hereby approved. The Mayor is hereby authorized and directed to execute the Bonds by his manual signature and attested by the City Clerk by his manual signature and the seal of the City shall be impressed thereon.

Section 3. All other provisions relating to the 2001 Bonds shall be as provided in the Ordinance, and the 2001 Bonds shall be in substantially the form provided in the Ordinance with such changes, insertions and omissions as may be approved by the Mayor of the City. The execution of the 2001 Bonds by the Mayor shall be conclusive evidence of such approval.

Section 4. The City hereby appoints and designates Branch Banking and Trust Company, Charleston, West Virginia, as Registrar for the 2001 Bonds. The Registrar is hereby authorized to take the appropriate action to note the assumption of the District Bonds by the 2001 Bonds in its records.

Section 5. The City hereby re-appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent for the 2001 Bonds. The Commission is hereby authorized to transfer the District's reserve accounts for the District Bonds to the respective 2001 Bonds' reserve accounts.

Section 6. The City hereby affirms all covenants and representations made in the District Loan Agreement and the District Supplemental Loan Agreement to the Authority. The price of the 2001 Bonds shall be 100% of par value.

Section 7. The Mayor and City Clerk are hereby authorized and directed to execute and deliver the Escrow Agreement between the City, the County Commission of Kanawha County and Branch Banking & Trust Company, Charleston, West Virginia, as escrow agent (the "Escrow Agent"). The Mayor and the Sanitary Board Manager are hereby authorized to sign requisitions under the Escrow Agreement.

Section 8. The Mayor and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates, including the Registrar's Agreement, required or desirable in connection with the 2001 Bonds in order for the 2001 Bonds to be delivered on or about April 25, 2001.

Section 9. The City shall not permit at any time or times any of the proceeds of the 2001 Bonds or any other funds of the City 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 Code, by reason of the classification of the 2001 Bonds as "private activity bonds" within the meaning of the Code. It will take all actions necessary to comply with the Code, including the Treasury Regulations promulgated thereunder.

Section 10. The acquisition by merger of the assets of the District and assumption of the District's Bonds by the 2001 Bonds is in the public interest, serves a public purpose of the City and will promote the health, welfare and safety of the residents of the City.

Section 11. This Supplemental Resolution shall be effective immediately upon adoption.

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-24, nays-0, absent-1, abstentions-2, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

ABSTAIN: Loeb and Prunty.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 732-01 adopted unanimously.

11. Your Committee on Finance has had under consideration Resolution No. 733-01, ordering that Ordinance No. 6780 (the "Ordinance"), passed by the Council of The City of Charleston, West Virginia, on March 19, 2001, authorizing the issuance by The City of Charleston of not to exceed $3,500,000 in aggregate principal amount of The City of Charleston Community Revenue Bonds (Family Enrichment Center Projects), Series 2001, to finance a portion of the costs of the acquisition of real property and the reconstruction, improvement and equipment thereon of a family enrichment center and the loan of the proceeds thereof to Community Council of West Virginia, Inc., or any successor thereto, all as more fully set out therein, be put into effect and supplementing said Ordinance by setting forth certain provisions of said Bonds and adopting other provisions related thereto, and reports the same to Council with the recommendation that the Resolution be adopted.

Resolution No. 733-01-"

Resolution No. 733-01

Introduced in Council

April 2, 2001

Adopted by Council

April 2, 2001

Introduced by:

Larry Roller
jw

A resolution ordering that Ordinance No. 6780 (the "Ordinance"), passed by the Council of The City of Charleston, West Virginia, on March 19, 2001, authorizing the issuance by The City of Charleston of not to exceed $3,500,000 in aggregate principal amount of The City of Charleston Community Revenue Bonds (Family Enrichment Center Project), Series 2001, to finance a portion of the costs of the acquisition of real property and the reconstruction, improvement and equipment thereon of a family enrichment center and the loan of the proceeds thereof to Community Council of West Virginia, Inc., or any successor thereto, all as more fully set out therein, be put into effect and supplementing said Ordinance by setting forth certain provisions of said Bonds and adopting other provisions related thereto.

WHEREAS, the City Council (the "Council") of The City of Charleston, West Virginia (the "City"), on March 19, 2001, passed Ordinance No. 6780, authorizing the issuance by the City of not to exceed $3,500,000 in aggregate principal amount of The City of Charleston Community Revenue Bonds (Family Enrichment Center Project), Series 2001 (the "Bonds"), to finance a portion of the costs of the acquisition of real property and the reconstruction, improvement and equipment thereon of a family enrichment center (the "Project") and the loan of the proceeds thereof to Community Council of West Virginia, Inc., or any successor thereto, including by assignment to Community Project Development Corporation, d/b/a Family Enrichment Center ("FEC"), all as more fully set out therein (said Ordinance is hereinafter referred to as the "Ordinance");

WHEREAS, capitalized terms used and not otherwise defined herein shall have the meanings given such terms in the Ordinance; and

WHEREAS, the Ordinance provided for the issuance of the Bonds in an aggregate principal amount not to exceed $3,500,000, in accordance with Chapter 13, Article 2C of the Code of West Virginia, 1931, as amended (the "Act"), and a Bond Trust Indenture (the "Bond Indenture") to be entered between the City and Branch Banking and Trust Company, as trustee (the "Bond Trustee"), upon approval by this Council by a

Supplemental Resolution, and further provided that the principal amount, interest rate, maturities and payment and redemption provisions be as set forth in the Bond Indenture;

WHEREAS, the Ordinance further provided that the forms of the Bond Indenture, the Loan Agreement and certain other documents be submitted to this Council and approved by a Supplemental Resolution; and

WHEREAS, the forms of the Bond Indenture, the Loan Agreement and such other documents have been submitted to this Council; and

WHEREAS, the Ordinance directed the City Clerk to publish an abstract of the Ordinance (the "Abstract"), together with a notice that the Ordinance has been adopted, that the City contemplates the issuance of the Bonds as described in the Ordinance and that any person interested may appear before the Council upon a certain day and present protests (the "Notice"); and

WHEREAS, the Ordinance required that the Abstract and Notice be published as a Class II legal advertisement in the Charleston Daily Mail and The Charleston Gazette, newspapers of general circulation of the City, and the first publication of such Abstract and Notice was to be not less than ten (10) days before the date set by the Ordinance and the Notice at which interested persons might appear before the Council and present protests, and the last publication of such Abstract and Notice was to be prior to said date set by the Ordinance and the Notice; and

WHEREAS, the Ordinance further required that, in compliance with Section 147 of the Internal Revenue Code of 1986, as amended (the "Code"), this Council hold a public hearing on the Project and the issuance of the Bonds therefor (the "TEFRA Hearing"); and

WHEREAS, adequate notice of the TEFRA Hearing was given by publication as a Class II legal advertisement, with the first publication's being at least 14 days prior to the date of the public hearing; and

WHEREAS, the Ordinance and the notices described above provided for a public hearing to be held at 7:00 p.m., prevailing time, on April 2, 2001, in Council Chambers at City Hall (including the TEFRA Hearing, the "Public Hearing"); and

WHEREAS, at the Public Hearing, this Council heard all persons desiring to express their opinions regarding the Project and the acquisition and construction thereof by FEC and the issuance of the Bonds therefor; and

WHEREAS, not more than 30 percent of the property owners of the City expressed opposition to the issuance of the Bonds, and no other opinions were expressed that cause this Council to withdraw its approval of the Bonds and the use by FEC of the proceeds thereof given by the Ordinance; and

WHEREAS, this Council has been presented with a certificate regarding the TEFRA Hearing; and

WHEREAS, this Council is now willing to issue the Bonds pursuant to the Act; and

WHEREAS, this Council deems it essential and desirable that this resolution, being the resolution referred to in the Ordinance (the "Supplemental Resolution"), be adopted and that the Bond Indenture, the Loan Agreement and the other documents presented to this Council and the principal amount, interest rate, maturities and payment and redemption provisions set forth in the Bond Indenture be approved;

NOW, THEREFORE, be it resolved by the Council of The City of Charleston, West Virginia, as follows:

Section 1. It is hereby found and determined:

(A) That the Abstract and Notice were duly published in the Charleston Daily Mail and The Charleston Gazette, newspapers of general circulation in the City, with the first publications thereof being on March 21, 2001, which first publications were not less than 10 days before the day set by the Ordinance and Notice for the Public Hearing, at which interested persons might appear before the Council of the City and present protests and suggestions and with the last publications thereof being on March 28, 2001, which last publication dates were prior to said date set by the Ordinance and Notice for the public hearing, and a copy of the Affidavit of Publication reflecting such publications is or shall be attached hereto and incorporated herein;

(B) That, in accordance with the Ordinance and the Notice, the Clerk of the City has maintained in his office a certified copy of the Ordinance for review by interested persons during the regular office hours of such office;

(C) That, as set forth in the Preambles above, adequate notice of the TEFRA Hearing pursuant to Code Section 147 was published in The Charleston Gazette, a newspaper of general circulation in the City, with the first publication thereof being on March 16, 2001, which first publication was not less than 14 days before the day set by the Ordinance and notice for the TEFRA Hearing, and a copy of the Affidavit of Publication regarding such notice of the TEFRA Hearing is or shall be attached hereto and incorporated herein;

(D) That, in Council Chambers, at City Hall, Charleston, West Virginia, on Monday, April 2, 2001, at 7:00 p.m. prevailing time, in accordance with the Ordinance and the Notice, the Council met for the purpose of hearing protests and suggestions regarding whether the Ordinance should be put into effect and heard all protests and suggestions with regard thereto and, in accordance with the notice pursuant to Code Section 147, the Council met for the purpose of hearing opinions regarding the acquisition and construction of the Project by FEC and the issuance of the Bonds therefor;

(E) That, at the Public Hearing, no significant reasons were presented that could require modification or amendment of the Ordinance, and no written protest with regard thereto was filed by 30 percent or more of the property owners of the City; and

(F) The Ordinance shall be put into effect as of the date hereof, and the Bonds contemplated thereby shall be issued, all as provided in the Ordinance and this Supplemental Resolution.

(G) The Mayor shall execute a certificate in substantially the form attached as Exhibit A hereto, with such changes as he deems necessary, with his signature to evidence approval of any such changes.

Section 2. There are hereby authorized and ordered to be issued The City of Charleston [West Virginia] Community Revenue Bonds (Family Enrichment Center Project), Series 2001, as set forth in the Ordinance:

(A) The Bonds shall be issued originally represented by two bonds, designated "Community Revenue Bonds (Family Enrichment Center Project), Series 2001," numbered R-1 and R-2, and shall be in the aggregate principal amount of $3,000,000, with Bond No. R-1's being in the principal amount of $2,000,000, and Bond No. R-2's being in the principal amount of $1,000,000. The Bonds shall be dated the date of delivery thereof; shall finally mature on December 5, 2007; and shall bear interest at the rate of six and one-

half percent (6.5%) per annum. Both principal and interest are payable on the fifth day of each month, beginning May 5, 2001, with respect to interest and not later than June 5, 2002, with respect to principal and interest, in the amounts as set forth in a schedule to be prepared by the Purchaser (as hereinafter defined) and agreed to by FEC and by the Mayor on behalf of the City, with the signature of an authorized officer of FEC on the Loan Agreement and the signature of the Mayor on the Bond Indenture to evidence such agreement. The Bonds shall be subject to prepayment in whole or in part without penalty at any time as further provided in the Indenture. Anything in this Subsection 2(A) to the contrary notwithstanding, the Bonds may bear interest at such rate, not to exceed 6.5% per annum, and may be payable as to interest and principal on such dates, no later than May 5, 2011, as shall be agreeable to the Purchaser, as hereinafter defined, and FEC, approved by the Mayor on behalf of the City and set forth in the Bond Indenture as executed and delivered in connection with the Bonds, with such agreement's and approval's being evidenced by the Mayor's execution of the Bond Indenture, execution of the Loan Agreement by an authorized officer of FEC and acceptance of the Bonds by the Purchaser.

(B) The proceeds of the Bonds shall be credited to or deposited in the Construction Fund established pursuant to the Bond Indenture and applied, without further action by the City, in accordance with the requisition submitted by FEC to the Bond Trustee pursuant to the Bond Indenture, including, if so requested by FEC, to the repayment of the loan obtained by Community Council to acquire the Property.

(C) The sale of Bond No. R-1 to Branch Banking and Trust Company and Bond No. R-2 to United National Bank (said banks are hereinafter referred to together as the "Purchaser") is hereby approved. The price of the Bonds shall be 100% of par value, provided that FEC shall pay an origination fee to the Purchaser; and, provided, further, that the proceeds of the Bonds will be advanced from time to time as requisitioned by FEC.

Section 3. All other provisions relating to the Bonds shall be as provided in the Ordinance and the Bond Indenture, and the Bonds shall be in substantially the form provided in the Bond Indenture with such changes, insertions and omissions as may be approved by the Mayor of the City. The Mayor is hereby authorized and directed to execute the Bonds by his manual signature and the Clerk of the City is hereby authorized and directed to attest to such signature by his manual signature, and the seal of the City shall be impressed thereon. The execution of the Bonds by the Mayor shall be conclusive evidence of such approval.

Section 4. This City Council hereby approves the execution and delivery of the following documents in connection with the Bonds, the proposed forms of which have been submitted to and are hereby approved by this City Council:

(A) the Bond Indenture between the City and the Bond Trustee;

(B) the Purchase Agreement between the City and the Purchaser;

(C) the Loan and Security Agreement between the City and FEC and, for the limited purposes set forth therein, Community Council;

(D) the Credit Line Deed of Trust from FEC for the benefit of the Bond Trustee, as assignee of the City under the Bond Indenture;

(E) the Collateral Assignment of Agreements from FEC for the benefit of the Bond Trustee, as assignee of the City under the Bond Indenture;

(F) the Assignment of Rentals and Leases from FEC for the benefit of the Bond Trustee, as assignee of the City under the Bond Indenture; and

(G) Non-Arbitrage Certificate and Tax Regulatory Agreement.

The Mayor and the City Clerk, each is hereby authorized and directed to execute and deliver such documents, with such changes, insertions and omissions as may be approved by the Mayor, whose execution thereof shall be conclusive evidence of such approval, and the City Clerk is hereby authorized and empowered to affix the seal of the City and to attest to the same for and on behalf of the City. The Mayor and the City Clerk, as appropriate, each is hereby authorized to take any action, execute, acknowledge and deliver any certificates, instruments or documents or give any consent that may from time to time be required by the City under any of the aforesaid documents or this Ordinance. Any such action taken, document executed or consent given by such officer in his or her official capacity shall be deemed to be an act by the City, and any such action, execution or consent shall be conclusive evidence that the same is authorized by this Ordinance.

Section 5. The City hereby affirms all covenants and representations made in the Indenture and in the Loan Agreement.

Section 6. The City shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the City 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 Code, by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. It will take all actions necessary to comply with the Code, including the Treasury Regulations promulgated thereunder.

Section 7. Each Authorized Officer and any other proper officers of the City are hereby authorized and directed to execute and deliver any and all papers and instruments, including but not limited to any certificates required in order to comply with state and federal securities laws, regulations, practices and procedures upon sale of the Bonds, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Ordinance and this Supplemental Resolution, upon advice and approval of counsel or Bond Counsel.

Section 8. The financing of the Project with proceeds of the Bonds is in the best interests of the citizens of the City, promoting their health, happiness, safety, rights of gainful employment and general welfare, and is for a public purpose of the City.

Section 9. This Supplemental Resolution shall take effect immediately upon adoption.

EXHIBIT A

CERTIFICATE OF THE MAYOR OF THE CITY OF CHARLESTON, WEST VIRGINIA, AS THE APPLICABLE ELECTED REPRESENTATIVE, APPROVING THE ISSUANCE OF NOT MORE THAN $3,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMMUNITY REVENUE BONDS (FAMILY ENRICHMENT CENTER PROJECT), SERIES 2001, ON BEHALF OF COMMUNITY PROJECT DEVELOPMENT CORPORATION, D/B/A FAMILY ENRICHMENT CENTER, PURSUANT TO SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

The undersigned Mayor of The City of Charleston, West Virginia (the "Issuer"), pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), hereby states that the actions taken or to be taken by the City in issuing the above-described bonds (the "Bonds"), in an aggregate principal amount not to exceed $3,500,000, and lending the proceeds thereof to Community Project Development Corporation, d/b/a Family Enrichment Center ("FEC"), as the successor by assignment to Community Council of Kanawha Valley, Inc., which is the sole member of FEC, to finance a portion of the costs of acquisition and reconstruction, improvement and equipping of a family enrichment center located at Fifth Avenue and Patrick Street in Charleston, West Virginia (the "Project"), has been duly approved by the Mayor as the applicable elected representative with respect to the Project, as provided by Section 147(f) of the Code.

This approval is given following a public hearing held at 7:00 p.m. on Monday, April 2, 2001, at the City Hall, 501 Virginia Street, East, Charleston, West Virginia, and is solely for the purpose of satisfying the requirements of Section 147(f) of the Code.

Dated this 2nd day of April 2001.

THE CITY OF CHARLESTON,
WEST VIRGINIA

_____

Mayor

CERTIFICATE OF TRUTH AND ACCURACY

I, the undersigned, as Clerk of The City of Charleston, Kanawha County, West Virginia, do hereby certify that the foregoing document is a true and accurate copy of an official record of The City of Charleston, such records being in the custody of the undersigned and maintained at The City of Charleston, City Hall, Charleston, Kanawha County, West Virginia, and that the action taken by the Council in the foregoing document remains in full force and effect and has not been amended or repealed.

Dated this ___ day of April 2001.

_____
City Clerk

[SEAL]

C0481927.2
3/29/01
101857/302

The question being on the adoption of the Resolution a roll call was taken and there were; yeas-24, nays-0, absent-1, abstentions-2, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

ABSTAIN: Loeb and Prunty.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared Resolution No. 733-01 adopted unanimously.

12. Your Committee on Finance has had under consideration amending account numbers for purchase of equipment approved for the Police Department on September 5, 2000. The vendor, item purchased, amount, and account numbers are as follows:

Vendor:	Dynamic Imaging
Item:	Digital Imaging Mugshot System
Amount:	$43,530
Previous Acct. No:	20-020-0-0-4-59, Local Law Enforcement Block Grant-98
New Account Nos:	**19-019-0-0-4-59, LLEBG-99**

Vendor:	Advanced Interactive Systems
Item:	Prism L 1000 Laser Recoil System Shooting Simulator
Amount:	$91,625
Previous Acct. No:	19-019-0-0-4-59, Local Law Enforcement Block Grant-99
New Account Nos:	**20-020-0-0-4-59, LLEBG-98 ($45,986.72)**
	19-019-0-0-4-59, LLEBG-99 ($45,638.28)

and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

13. Your Committee on Finance has had under consideration purchase of up to twelve (12) In-Car Video Camera Systems from West Virginia Parkways, in the amount of approximately $24,000, for installation in Charleston Police Department Traffic Division vehicles. These systems were previously used by the State Police Patrol on the West Virginia Turnpike and are compatible with those currently used in vehicles operated by the Police Department Patrol Division; To be charged to Account No. 19-019-0-0-4-59, Police–Local Law Enforcement Block Grant-99, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

14. Your Committee on Finance has had under consideration bid submitted by Graybar, in the amount of $20,420, for purchase of six (6) Wood Treated Poles ($8,010); Cross Arms ($1,340); and 54 - 1500 Watt Light Fixtures ($11,070) for installation at the Capital High School Baseball Field, located on Greenbrier Street. The City provided funds in the amount of $30,000 to be used for the enhancement of lighting on said field (Bill No. 6707, approved on September 5, 2000), with the stipulation that the City could use the field when not in use by Capital High School; To be charged to Account No. 58-900-0-0-4-060, P&R–Capital Outlay, Major Improvements, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

15. Your Committee on Finance has had under consideration payment of an invoice from Bob Burdette Center, in the amount of $2,548.36, for reimbursement of operational expenses for the after school program located in Emmanuel Baptist Church on Charleston's West Side; To be charged to Account No. 25-000-00-011, CDBG–Public Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared the committee report adopted unanimously.

16. Your Committee on Finance has had under consideration payment of an invoice from Tony Pacifico, in the amount of $2,000, for 24 loads of top soil for the athletic field at North Charleston Community Center; To be charged to Account No. 25-000-00-059, CDBG–Parks and Recreation, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor

declared the committee report adopted unanimously.

17. Your Committee on Finance has had under consideration payment of an invoice from Manna Meal, Inc., in the amount of $3,181.62, for reimbursement of food costs for meals to serve the homeless; To be charged to Account No. 25-000-00-011, CDBG–Public Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared the committee report adopted unanimously.

18. Your Committee on Finance has had under consideration payment of an invoice from YWCA/Child Enrichment Center, in the amount of $3,697.84, for operational expenses for the month of February, 2001; To be charged to Account No. 25-000-00-011, CDBG–Public Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

NAYS: None.

ABSENT: Pettry.

With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared the committee report adopted unanimously.

19. Your Committee on Finance has had under consideration payment of an invoice from YWCA/Learning Center, in the amount of $4,491.34, for reimbursement of expenses for the After School Program from July 2000 to February 2001; To be charged to Account No. 25-000-00-011, CDBG–Public Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a roll call was taken and there were; yeas-26, nays-0, absent-1, as follows:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham,

McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.
NAYS: None.
ABSENT: Pettry.
With a majority of members elected recorded thereon as voting in the affirmative the Mayor declared the committee report adopted unanimously.

20. Your Committee on Finance has had under consideration payment of an invoice from G. K. Cabell Trust, Inc., in the amount of $3,600, for additional rent for the East End Police Precinct for the year beginning April 19, 2000 through April 19, 2001. The additional costs are being paid due to the vendor's failure to involve the Police Department for an increase in the rental amount over the one year period as set forth in the lease agreement; To be charged to Account No. 01-700-0-0-2-019, Police–Building and Equipment Rents, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent, with Mayor Goldman abstaining, the Mayor declared the committee report adopted unanimously.

21. Your Committee on Finance has had under consideration payment of an invoice from Heenan, Althen and Roles, LLP, in the amount of $5,856.35, for professional services rendered during February 2001 in connection with the City code and civil service regulations pertaining to firefighters; To be charged to Account No. 01-417-0-0-2-023, Legal Department–Professional Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent the Mayor declared the committee report adopted unanimously.

22. Your Committee on Finance has had under consideration payment of an invoice from Bowles, Rice, McDavid, Graff & Love, PLLC, in the amount of $4,876.81, for professional services rendered for January 2000, December 2000, and January 2001, in connection with claims filed through the Police Civil Service Commission; To be charged to Account No. 01-417-0-0-2-023, Legal Department–Professional Services, and reports the same to Council with the recommendation that the committee report be adopted.

The question being on the adoption of the committee report a vote was taken. There being no dissent, with Lane, Loeb, and Markham abstaining, the Mayor declared the committee report adopted unanimously.

REPORTS OF OFFICERS

1. Audited Financial Statements City of Charleston, West Virginia Year Ended June 30, 2000; Received and Filed.

2. Report of the Charleston Building Department February, 2001; Received and Filed.

3. Municipal Court Financial Information for March, 2001; Received and Filed.

NEW BILLS INTRODUCED

Introduced by Councilman Tom Lane on April 2, 2001:
BILL NUMBER 6781, a Bill to amend and re-enact Section 18-22 of the Charleston City Code by adding subsections (f) and (g) which will make it a violation in the City for a person under the age of twenty-one (21) to possess, accept, purchase or attempt to purchase. non-intoxicating beer, wine, or intoxicating liquor and to use a fraudulent document for such purpose;
Refer to Council Committee on Ordinance and Rules

Introduced by Councilman Tom Lane on April 2, 2001:
BILL NUMBER 6782, a Bill granting authority to the Municipal Court of Charleston, West Virginia, to issue a warrant and complaint against a defendant who has failed to appear in Municipal Court in response to a citation;
Refer to Council Committee on Ordinance and Rules

Introduced by Councilman Bobby Haas on April 2, 2001:
BILL NUMBER 6783, a Bill to lift the prohibition against auction sales of goods and chattels within the City of Charleston and to provide for the licensing of auctioneers;
Refer to Council Committee on Ordinance and Rules

UNFINISHED BUSINESS

Ditty Markham's birthday is on the 2nd.

Bobby Reishman's birthday is on the 4th.

Donna Prunty's birthday is on the 6th.

Jimmy Reishman's birthday is on the 12th.

Linda Nielsen's birthday is on the 13th.

Troop #64 from Emmanuel Baptist Church observed the council meeting.

ROLL CALL

The Clerk called the roll and the following members were in attendance:

YEAS: Charnock, Crickenberger, Davis, Fouty-Young, Haas, Harris, Henry, Jones, Kimberling, Knauff, Lane, David Lanham, James Lanham, Loeb, Lopez, Markham, McKnight, Molgaard, Morton, Nielsen, Prunty, Quick, Reishman, Roller, Talkington, and Mayor Goldman.

ABSENT: Pettry.

At 7:45 p.m., on motion of Councilman Loeb, Council adjourned until 7:00 p.m., Monday, April 16, 2001.

Jay Goldman, Honorable Mayor

James M. Reishman, City Clerk

CHARLESTON NEWSPAPERS
P.O. Box 2993
Charleston, West Virginia 25330
Billing 348-4898
Classified 348-4848
1-800-WVA-NEWS
FEIN 55-0676079

INVOICE DATE	03/29/01
ACCOUNT NBR	014243003
SALES REP ID	0073
INVOICE NBR	823621001

Legal pricing is based upon 63 words per column inch at a rate of $.0925 per word.
Each successive insertion is discounted by 25% of the first insertion rate ($.069375 per word).

ISSUE DATE	AD TYPE	PUB	DESCRIPTION / REFERENCE NBR PURCHASE ORDER #	AD NUMBER	AD SIZE / TOTAL RUN	RATE	GROSS AMOUNT	NET AMOUNT
			LEGAL DISCOUNT 25%				29.51-	88.51
			TOTAL INVOICE AMOUNT					206.53

State of West Virginia,

AFFIDAVIT OF PUBLICATION

I, Sandra Figg of
THE CHARLESTON GAZETTE, A DAILY DEMOCRATIC NEWSPAPER,
THE DAILY MAIL, A DAILY REPUBLICAN NEWSPAPER,
published in the city of Charleston, Kanawha County, West Virginia, do solemnly swear that the annexed notice of:
HEARING 3/19
was duly published in said paper(s) during the dates listed below, and was posted at the front door of the court house of said Kanawha County, West Virginia, on the 22ND day of MARCH 2001 Published during the following dates: 03/21/01-03/28/01

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
Robin J. Clark
107 - 131st Street
Chesapeake, WV 25315
My Commission Expires October 4, 2007

Subscribed and sworn to before me this 30 day of March

Robin J. Clark
Notary Public of Kanawha County, West Virginia

Printers fee $ 206.53

THE CITY OF CHARLESTON, WEST VIRGINIA

NOTICE OF PUBLIC HEARING and ABSTRACT OF BOND ORDINANCE

Notice is hereby given to any person interested that on March 19, 2001, the Council of The City of Charleston, West Virginia (the "City") adopted an ordinance which:

1. Authorized the acquisition by merger of the assets of Guthrie Public Service District (the "District") to be incorporated in the City's wastewater treatment system (the "System") and the assumption of the District's outstanding bond debt through the issuance of not more than $855,000 in aggregate principal amount of Sewerage System Revenue Bonds (the "Bonds").

2. Directed that the Bonds be issued in two or more series and in the form of one bond each, fully registered with a payment record attached; that interest on the Bonds shall be no more than twelve percentum (12%) per annum, that said Bonds mature in not more than forty years and that said Bonds be issued for the par value thereof; that the Bonds be executed in the name of the City by the Mayor, and the seal of the City be affixed thereto and attested to by the City Clerk; that such Bonds be duly authenticated by the Registrar and delivered to the West Virginia Water Development Authority.

3. Directed the continuation of the Revenue Fund and the disposition of the System revenues; provided for the payment of operating expenses; provided for the monthly payment of principal and interest when due; provided for the creation of reserve accounts for the Bonds and continuation of a Renewal and Replacement Fund; and provided for the use of excess funds of the System.

4. Pledged the Net Revenues of the System to payment of the Bonds.

The City contemplates the issuance of the Bonds described in, and under the conditions set forth in the Ordinance abstracted above. Any person interested may appear before the Council of the City of Charleston at a regular meeting thereof at 7:00 p.m., prevailing time, on April 2, 2001, at the Council Chambers, City Hall, Charleston, West Virginia, and present objections and be heard as to whether the above described Ordinance shall be put into effect.

A certified copy of the Ordinance as adopted by the Council of City on March 19, 2001, is on file with the City Clerk for review by interested persons at the City Hall during regular office hours, to-wit: 8:00 a.m. to 4:00 p.m., Monday through Friday.

By:/s/ James M. Reishman
City Clerk

(457663)

LAW OFFICES
KAUFFELT & KAUFFELT
803 KANAWHA VALLEY BUILDING
CHARLESTON, WEST VIRGINIA 25301
(304) 345-1272

T. D. KAUFFELT
JAMES D. KAUFFELT
MARK E. KAUFFELT

MAILING ADDRESS
P. O. BOX 3082
CHARLESTON, WV 25331
FAX (304) 345-1280

ORIGINAL COPY

June 16, 2000

Ms. Sandra A. Squire
Executive Secretary
Public Service Commission of WV
201 Brooks Street
P. O. Box 812
Charleston, WV 25323

Re: *Guthrie Public Service District and the Sanitary Board of the City of Charleston*
Case No. 00-0152-PSD-PC

Dear Ms. Squire:

Enclosed for filing in the above-styled case you will find the original Affidavit of Publication.

Thank you for your attention to this matter.

Very truly yours,

T. D. Kauffelt

T. D. Kauffelt

TDK/rf
enclosure
xc: Cassius H. Toon, Esquire
r004c005g

omm
Legal - 1
SS - 2
w/ WD 3
W&S - 3
Ellen - 3

CHARLESTON NEWSPAPERS
P.O. Box 2993
Charleston, West Virginia 25330
Billing 348-4898
Classified 348-4848
1-800-WVA-NEWS
FEIN 55-0676079

INVOICE DATE	06/12/00
ACCOUNT NBR	032130000
SALES REP ID	0001
INVOICE NBR	747561001

Legal pricing is based upon 63 words per column inch at a rate of $.0925 per word.
Each successive insertion is discounted by 25% of the first insertion rate ($.069375 per word).

ISSUE DATE	AD TYPE	PUB	DESCRIPTION REFERENCE NBR PURCHASE ORDER #	AD NUMBER	AD SIZE TOTAL RUN	RATE	GROSS AMOUNT	NET AMOUNT
06/02	LEGF	GZ	GUTHRIE/CHARLESTON 747561001	L498785	2X1775 35.50	5.82	206.61	206.61
06/09	LEGR	GZ	GUTHRIE/CHARLESTON 747561002		2X1775 35.50	5.82	206.61	
			LEGAL DISCOUNT 25%				51.65-	154.96
			TOTAL INVOICE AMOUNT					361.57

State of West Virginia,

AFFIDAVIT OF PUBLICATION

I, Sandra Legg of

THE CHARLESTON GAZETTE, A DAILY DEMOCRATIC NEWSPAPER, published in the city of Charleston, Kanawha County, West Virginia, do solemnly swear that the annexed notice of GUTHRIE/CHARLESTON was duly published in said paper(s) during the dates listed below, and was posted at the front door of the court house of said Kanawha County, West Virginia, on the 3RD day of JUNE 2000. Published during the following dates: 06/02/00-06/09/00

Subscribed and sworn to before me this 13 day of June

Printers fee $ 361.57

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
LYNN R. FIELDER
3248 PUTNAM AVE.
HURRICANE, WV 25526
My Commission Expires December 11, 2008

Lynn R. Fielder
Notary Public of Kanawha County, West Virginia

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA
CHARLESTON

a session of the Public Service Commission of West Virginia, in the City of Charleston, on the 14th day of April, 2000.

CASE NO.

00-0152-PSD-PC

GUTHRIE PUBLIC SERVICE DISTRICT and THE SANITARY BOARD OF THE CITY OF CHARLESTON

Petition for consent and approval for the acquisition of Guthrie Public Service District by the Sanitary Board of the City of Charleston.

COMMISSION ORDER

PROCEDURE AND DISCUSSION

On January 25, 2000, the Guthrie Public Service District (District) filed a petition to merge the District into the Sanitary Board of the City of Charleston (City). In an Initial and Final Internal Memorandum filed February 23, 2000, Staff noted that this proceeding is similar to Case No. 98-0215-PSD-PC, Mt. Tyler Public Service District and the Sanitary Board of the City of Charleston, final October 15, 1998.

According to the District's petition and the agreement between the parties, dated April 13, 1999, the City is presently operating and maintaining the District's sewage collection system and sewage collected is treated by the City under terms of an operating agreement between the parties entered into in 1990. The Agreement, dated April 13, 1999, provides for the City to take possession of all property, including bank accounts, and obligations of the District. The customers of the District will become customers of the City and will be charged the City's rates plus a proposed surcharge to retire the District's debt. The surcharge has been calculated at $1.75 per 1,000 gallons, but is subject to change depending on financing arrangements and customers to be charged. The petition indicates that the District's customer's rates will be between 25% to 38% lower than those they are currently paying, including the surcharge. The City will benefit from the acquisition as its customer count will increase, which will lower its fixed costs per customer. The agreement also states that any residual funds, after the payment of all expenses due at the time of transfer, will be used toward the financing of line extensions to new customers within the areas of the District. The agreement lists potential projects.

In a letter dated January 19, 2000, the Water Development Authority (WDA) listed items it would require prior to it giving its consent for the City to assume the District's outstanding debt. The list includes:

* Final order of the Commission approving the merger and the debt.
* Order from the Kanawha County Commission dissolving the Guthrie Public Service District.
* Certificate from an independent certified public accountant certifying that the Sanitary Board of Charleston would meet the current coverage covenant requirements for its existing debt and the assumed debt.
* Order of the Charleston City Council legally assuming the Guthrie PSD's existing indebtedness and reaffirming the WDA's first lien on the revenues of the system.
* Opinion of counsel that such action would not affect the tax-exempt status of the existing bonds or the assumed bonds.

On February 25, 2000, Commission Staff filed its Initial and Final Joint Staff Memorandum, noting that West Virginia Code 16-13A-2 and 16-13A-18a require County Commission approval of a sale and dissolution of a public service district. Staff deemed it appropriate for the Kanawha County Commission (County Commission) to issue a statement that it favors the acquisition, and that the parties should publish notice of the proposed acquisition by Class II legal advertisement as required by the aforementioned statutory provisions. Additionally, Staff requested a copy of the District's board minutes in which the District's Board approved the acquisition. Staff also requested clarification from the WDA relative to the ordinance from the City of Charleston wherein the City legally assumes the debt of the District. Pending the receipt of the above items, Staff recommended approval of the petition.

As of this date, the District has not submitted the above-listed items. The Commission finds it reasonable and fair to order the District to publish notice of the proposed acquisition by Class II legal advertisement and to provide Staff with a copy of the District's board minutes in which the District's Board approved the acquisition. The Commission will further order the District and City to submit a statement that the County Commission favors the acquisition, and will order the District and City to provide clarification from WDA relative to the ordinance from the City of Charleston wherein the City legally assumes the debt of the District, in order that this case may proceed.

FINDINGS OF FACT

1. On January 25, 2000, the Guthrie Public Service District (District) filed a petition to merge the District into the Sanitary Board of the City of Charleston (City).

2. According to the District's petition and the agreement between the parties, dated April 13, 1999, the city is presently operating and maintaining the District's sewage collection system and sewage collected is treated by the City under terms of an operating agreement between the parties entered into in 1990.

3. The Agreement, dated April 13, 1999, provides for the City to take possession of all property, including bank accounts, and obligations of the District. The customers of the District will become customers of the City and will be charged the City's rates plus a proposed surcharge to retire the District's debt.

4. The City will benefit from the acquisition as its customer count will increase which will lower its fixed costs per customer. The agreement also states that any residual funds, after the payment of all expenses due at the time of transfer, will be used toward the financing of line extensions to new customers within the areas of the District.

5. In a letter dated January 19, 2000, the Water Development Authority (WDA) listed items it would require prior to it giving its consent for the City to assume the District's outstanding debt.

6. On February 25, 2000, Commission Staff filed its Initial and Final Joint Staff Memorandum noting that West Virginia Code 16-13A-2 and 16-13A-18a require County Commission approval of a sale and dissolution of a public service district. Staff deemed it appropriate for the County Commission to issue a statement that it favors the acquisition, and that the parties should publish notice of the proposed acquisition by Class II legal advertisement as required by the cited Code. Additionally, Staff would like to be provided with a copy of the District's board minutes where the District's Board approved the acquisition. Staff also requests clarification from the Authority relative to the ordinance from the City of Charleston wherein the City legally assumes the debt of the District.

7. Pending the receipt of the above items, Staff recommended approval of the petition.

8. As of this date, the District has not submitted the above-listed items.

CONCLUSIONS OF LAW

1. It is reasonable and fair to order the District to publish notice of the proposed acquisition by Class II legal advertisement.

2. It is reasonable and fair to order the District to provide Staff with a copy of its minutes where the District's Board approved the acquisition.

3. It is reasonable and fair to order the District and City to submit a statement that the County Commission favors the acquisition.

4. It is reasonable and fair to order the District and City to provide clarification from WDA relative to the ordinance from the City of Charleston wherein the City legally assumes the debt of the District.

ORDER

IT IS THEREFORE ORDERED that the District give notice of the filing of its application for the proposed acquisition by publishing a copy of this order once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Kanawha County, making due return to this commission of proper certification of publication immediately after publication. Anyone desiring to make objection to said application must do so in writing, within thirty (30) days after publication of this notice, to Sandra Squire, Executive secretary, Public Service Commission of West Virginia, P.O. Box 812, Charleston, WV 25323.

IT IS FURTHER ORDERED that the District provide Staff with a copy of the District's board minutes where the District's Board approved the acquisition.

IT IS FURTHER ORDERED that the District and City submit a statement that the County Commission favors the acquisition.

IT IS FURTHER ORDERED that the WDA provide clarification relative to the ordinance from the City f Charleston wherein the City legally assumes the debt of the District.

IT IS FURTHER ORDERED that if no protests are received within said thirty (30) day period, the Commission may waive formal hearing and grant the application of the Guthrie Public Service District and the Sanitary Board of the City of Charleston.

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

A True Copy, Teste:
Sandra Squire
Executive Secretary

(498785)

THIS AGREEMENT, made this _____ day of April, 1999, by and between the SANITARY BOARD OF THE CITY OF CHARLESTON, a municipal corporation, sometimes hereinafter referred to as the "Sanitary Board," party of the first part, and GUTHRIE PUBLIC SERVICE DISTRICT, sometimes hereinafter referred to as the "District," party of the second part.

WHEREAS, pursuant to an Agreement entered into in 1990 between the parties hereto, the Sanitary Board has furnished sanitary sewer services to Guthrie, maintained lines, performed billing and collection services, prepared financial statements, and assisted in securing rate increases and many other functions; and

WHEREAS, the District has requested that the Sanitary Board request the consent and approval of the Public Service Commission for the acquisition of the District's distribution system by the Sanitary Board, all without payment except for the assumption of the District's debts and liabilities.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH: the Sanitary Board does now agree to acquire the District's distribution system and the District does hereby convey the same to the Sanitary Board, subject to the approval of the Public Service Commission and the City Council of Charleston.

1. The entire District's system and all its assets, including bank accounts, accounts receivable, lines, tanks, rights-of-way, and liabilities shall henceforth be the property of the Sanitary Board.

2. Henceforth the Sanitary Board shall be responsible for the full operation of said sanitary system which shall become part of the Sanitary Board's system and service area for the future. All of the District's customers will be billed at the rates provided in the Sanitary Board's

tariff, plus a surcharge of $1.75 per thousand gallons billed, per customer, which will remain in effect until retirement of the District's outstanding bonds.

3. The District will assist in whatever manner legally necessary for the formal transfer of its assets to the Sanitary Board.

4. The District will join with the Sanitary Board in requesting Public Service Commission approval for said transfer.

5. The Sanitary Board will assume all obligations under the outstanding bonds of the District. The District will join with the Sanitary Board in seeking the approval of the bondholders for said transfer. Attached hereto and made a part hereof is a letter from the Water Development Authority, stating its requirements for transfer of the bond obligations, which requirements must be met.

6. The District shall provide, prior to execution, an itemized listing of the outstanding obligations of the District on the date this Agreement is executed and further agrees not to assume any obligation in excess of the amount of unencumbered and unobligated funds that the District has on hand without prior approval of the Sanitary Board from the date this Agreement is executed until the date the transfer of assets is completed. The District further agrees to pay all operation and maintenance expenses and bond payments on a timely basis during said time period.

After the payment of all expenses due at the time of the transfer, any remaining funds given to the Sanitary Board will be expended on the extension of lines to new customers that have been planned by the District. The money shall be prioritized for the following projects, the first having the top priority and the fourth having the lowest, as follows:

a. Cobb Drive

b. Fore Drive

c. Jenkins Drive

d. East end of Edens Fork (generally, from Rich Fork to I-77)

7. The transfer of assets should take place thirty (30) days after all necessary approvals are received. If any necessary approval of this Agreement is denied, or conditions unacceptable to the parties are imposed, this Agreement will be null and void.

WITNESS the following signatures:

CHARLESTON SANITARY BOARD

By_____
Its

GUTHRIE PUBLIC SERVICE DISTRICT

By_____
Its Chairman

r004c901m33002

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, to-wit:

I, Janet S Burcher, a Notary Public in and for the State aforesaid, do hereby certify that Jay Coleman, whose name is signed to the writing above, bearing date the 3rd day of ~~April, 1999~~ Jan 2000, as the Chairman of the Charleston Sanitary Board, a municipal corporation, has this day acknowledged the same before me, on behalf of the said corporation.

Given under my hand this 3rd day of January, ~~1999~~ 2000.

My Commission expires 12/09/08.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
JANET S. BURCHER
[illegible] PINNACLE DRIVE
CHARLESTON, WV 25311
My Commission Expires December 9, 2008

Janet S Burcher
Notary Public

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, to-wit:

I, [illegible], a Notary Public in and for the State aforesaid, do hereby certify that [illegible], whose name is signed to the writing above, bearing date the [illegible] day of April, 1999, as the [illegible] of Guthrie Public Service District, a municipal corporation, has this day acknowledged the same before me, on behalf of the said corporation.

Given under my hand this [illegible] day of [illegible], 1999.

My Commission expires [illegible].

Official Seal
Notary Public, State of West Virginia
Robin Bailey
Hanna & Bonham
P.O. Box 8070
So. Charleston, WV 25303
My commission expires July 29, 2008

[illegible]
Notary Public

CERTIFICATE

I, the undersigned City Clerk of the City of Charleston, do hereby certify that the foregoing is a true, correct and complete copy of Resolution No. 416-99, enacted by the City Council of the City on December 20, 1999.

Witness the signature of the undersigned City Clerk of the City of Charleston, West Virginia, and the seal of said City, this 7th day of January, 2000.

City Clerk

Seal

Resolution No. 416-99

Introduced in Council

December 20, 1999

Introduced By:

Dave Hardy

Adopted by Council

December 20, 1999

Resolution No. 416-99: Authorizing the Mayor of The City of Charleston to enter into an agreement with Guthrie Public Service District with respect to the acquisition of the assets of said District by the Sanitary Board of The City of Charleston and authorizing application to the Public Service Commission of West Virginia with respect to the said acquisition.

WHEREAS, the Council of The City of Charleston (the "City") has established the Sanitary Board pursuant to Chapter 16, Article 13 Section 18, to manage and operate the City's wastewater treatment system (the "System");

WHEREAS, the Sanitary Board currently treats for the effluent of the Guthrie Public Service District (the "District");

WHEREAS, the District is willing to sell the assets of its system to the City;

WHEREAS, it is in the best interest of the City and the Sanitary Board to increase the number of customers served by the System;

WHEREAS, such acquisition, and the assumption of the outstanding bond obligations of the District by the City will allow for reduced rates to the residents of the District;

WHEREAS, it is in the best interest of the citizens of Charleston that the District's system be acquired and combined with the System;

WHEREAS, such acquisition will not be completed without further action of Council including but not limited to the approval of the assumption of the outstanding bond obligations of the District; and

WHEREAS, the Council deems is essential and desirable that this resolution be adopted and that the Mayor and Sanitary Board be authorized to take the steps necessary to receive approval of the Public Service Commission of West Virginia.

NOW, THEREFORE, be it resolved by the Council of The City of Charleston, West Virginia, as follows:

Section 1. It is hereby found and determined that it is in the best interest of the citizens of the City that the distribution system of the Guthrie Public Service District be acquired by the City and incorporated in the City's wastewater treatment system.

Section 2. The Mayor, the City Clerk and the Sanitary Board are hereby authorized and directed to petition the Public Service Commission of West Virginia for approval of such acquisition and to take such steps necessary to have the agreement between the District and the City approved by the Public Service Commission; provided that such acquisition shall not be finalized until the City Council has enacted an ordinance assuming the outstanding bonds of the District.

Section 3. The Mayor is hereby authorized to enter into the Agreement dated April 13, 1999, with the District so that it may be submitted with the petition to the Public Service Commission of West Virginia.

Section 4. The acquisition merger of the assets of the District and the assumption of the District's bonds serves the public purposes of the City and will promote the health, welfare and safety of the residents of the City.

Section 5. This supplemental resolution shall be effective immediately upon adoption.

342098

RESOLUTION

BE IT RESOLVED by the Sanitary Board of the City of Charleston that it approved entering into the Agreement of April 13, 1999, between the Sanitary Board of the City of Charleston and the Guthrie Public Service District, in which the Sanitary Board agrees to acquire the District's distribution system, subject to the approval of the Public Service Commission of West Virginia and the City Council of the City of Charleston, all as more fully set forth in said Agreement attached hereto; and the Board hereby authorizes the Mayor, as Chairman of the Sanitary Board, to sign the Agreement on behalf of the Sanitary Board and submit it to the necessary agencies for their approval, and thereafter, if such approval is obtained, to take the steps necessary to carry out the provisions of said Agreement.

A RESOLUTION AUTHORIZING THE CHAIRMAN OF THE GUTHRIE PUBLIC SERVICE DISTRICT TO EXECUTE ALL DOCUMENTS RELATING TO THE MERGER OF THE GUTHRIE PUBLIC SERVICE DISTRICT WITH THE CITY OF CHARLESTON SANITARY SEWER SYSTEM, APPROVING THE MERGER, THE DISSOLUTION OF THE DISTRICT AND THE ESCROW AGREEMENT AND TRANSFER OF FUNDS

WHEREAS, the Council (the "City Council") of The City of Charleston, Kanawha County, West Virginia (the "City"), has introduced and passed an Ordinance approving the merger of the Guthrie Public Service District (the "District") with the City's sanitary sewer system and authorizing the issuance of sewage system revenue bonds to retire the outstanding bonds of the District held by the West Virginia Water Development Authority; and

WHEREAS, the City treated sewerage from the District pursuant to an agreement entered into in 1990 and the Sanitary Board maintained lines, performed billing and collection services, prepared financial statements and many other functions;

WHEREAS, the City and the District signed an agreement dated April 13, 1999, concerning the proposed merger (the "Merger Agreement"), attached hereto as Exhibit A and incorporated herein, providing that the City will take possession of all the property and assets of the District, the City will assume all of the legal and financial obligations of the District and the customers served by the District will become customers to be served by the City;

WHEREAS, the City Council, pursuant to an Ordinance adopted on March 19, 2001 and effective on April 2, 2001, found that the terms and conditions of the merger of the District into the sewage system of the City should be approved, said City Council authorized the assumption of the debt of the District and the retirement of its outstanding bonds; and

WHEREAS, the District will at the regular monthly meeting held during the month of May, 2001, authorize the merger;

WHEREAS, pursuant to an Order of the Public Service Commission dated January 25, 2000, in Case No. 00-0152-PSD-PC, the Public Service Commission authorized the proposed merger;

WHEREAS, the County Commission, pursuant to public notice, will hold a hearing on May 17, 2001, to consider the proposed merger and dissolution of the District;

WHEREAS, in order for the District to ensure that the funds in its accounts are expended pursuant to the Merger Agreement, an Escrow Agreement shall be entered into between the City, the County Commission and an Escrow Agent; and

WHEREAS, it is in the best interest of the customers of the District and the City to complete this merger and dissolve the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE GUTHRIE PUBLIC SERVICE DISTRICT, KANAWHA COUNTY, AS FOLLOWS:

1. That the Chairman of the District and the Board are hereby authorized and directed to execute all documents concerning the proposed merger of the District with the City's sanitary sewer system, including, but not limited to, execution of a Deed and Bill of Sale conveying all of the assets of the District, both real and personal, unto the City.

2. That the Board of the District is vested with the appropriate authority to take any and all action necessary to complete the merger of the District with the sanitary sewer system of the City and to dissolve the District.

3. That the Board of the District does hereby approve the form of the Escrow Agreement, attached hereto as Exhibit B and made a part hereof, and does hereby approve the transfer of all funds of the District to the Escrow Fund created under the Escrow Agreement on the merger date. All pending and post bills and obligations of the District shall be paid from the Escrow Fund by the City and the City shall have the right to deposit all funds payable to the District into the Escrow Fund.

4. This Resolution shall become effective immediately upon adoption.

Adopted by the Board of the Guthrie Public Service District at a meeting held on the 8th day of May, 2001.

GUTHRIE PUBLIC SERVICE DISTRICT

(SEAL)

By: _____
Its: Chairman

_____
Its: Secretary (Acting)

C0482586.1

NOTICE

The regular monthly meeting of the Commissioners of the Guthrie Public Service District is scheduled to be held on Tuesday, May 8, 2001, at 7:00 p.m., at Bonham Elementary School located on Sissonville Road, Kanawha County, West Virginia. At the meeting, the Commissioners of the District will consider a Resolution, Bill of Sale, Deed, and all other documents and/or necessary action concerning the sale, transfer, and assignment of all of the District's utility assets, including but not limited to, tangible and intangible property, real property, money in any form, all franchises, and certificates of convenience and necessity issued or held by the District to the City of Charleston, acting by and through its Sanitary Board. The District's Commissioners will also conduct any and all other business which may come before said Board.

The public is invited to attend this meeting.

JOSEPH J. IZZO, Chairman
Guthrie Public Service District

GUTHRIE PUBLIC SERVICE DISTRICT

MONTHLY MEETING MINUTES

May 8, 2001

Present: Joseph Izzo, Chairman
Barbara Abernathy, Treasurer
H. Wyatt Hanna, III, Attorney
Velma Edens, Visitor
William Harrison, Visitor
Faye Izzo, Visitor
Samme Gee, Esquire

The meeting was called to order by Chairman Izzo at 7:00 p.m.

Minutes of the April 10, 2001, regular monthly meeting were read by the Board. Upon motion made by Chairman Izzo, and seconded by Mrs. Abernathy, the minutes were approved as presented.

A motion was made by Barbara Abernathy and seconded by Joe Izzo to appoint the District's Counsel, H. Wyatt Hanna, III, as acting secretary for the meeting due to the absence of Commissioner Kay Moffatt. This motion was unanimously passed.

OLD BUSINESS

There was no old business for consideration or discussion by the Commissioners.

The agenda then proceeded to New Business.

NEW BUSINESS

A presentation was made concerning the acquisition of the Guthrie Public Service District by the City of Charleston. The District's Counsel, H. Wyatt Hanna, III, and Samme Gee, representing the City of Charleston, made the presentation. William Harrison, an individual residing within the District's service area, asked several questions. In addition, Velma Edens inquired as to whether sanitary sewer service would be provided to the Edens Fork interchange after the acquisition of the District by the City of Charleston. After addressing all relevant questions, discussion moved to the following resolution which was read by title:

A RESOLUTION AUTHORIZING THE CHAIRMAN OF THE GUTHRIE PUBLIC SERVICE DISTRICT TO EXECUTE ALL DOCUMENTS RELATING TO THE MERGER OF THE GUTHRIE PUBLIC SERVICE DISTRICT WITH THE CITY OF CHARLESTON SANITARY SEWER SYSTEM, APPROVING THE MERGER, THE DISSOLUTION OF THE DISTRICT AND THE ESCROW AGREEMENT AND TRANSFER OF FUNDS

Upon motion made by Joe Izzo and seconded by Barb Abernathy it was moved that the resolution be adopted. After discussion, this motion was unanimously approved.

Ms. Gee advised the Board of certain issues relating to the Escrow Agreement involving the County Commission of Kanawha County, West Virginia, and the time frame for completing any sewer extensions to the areas set forth in the District's agreement with the City of Charleston and Charleston Sanitary Board. Upon motion made by Barbara Abernathy and seconded by Joe Izzo it was moved that the time frame set forth in the Escrow Agreement for the completion of any extensions be three (3) years. After discussion, this motion was unanimously passed.

Upon motion made by Barbara Abernathy, and seconded by Joe Izzo, it was moved that all of the District's outstanding invoices and bills presented for payment be approved, including the refunding of certain customer deposits recommended by the City of Charleston Sanitary Board. This motion was unanimously passed.

A general discussion concerning the current operational status of the District was held.

It was announced that the closing concerning the acquisition of the District's sewer utility assets by the City of Charleston would be held on May 22, 2001, at 10:00 a.m., at the offices of the West Virginia Water Development Authority located in Northgate Industrial Park, Charleston, West Virginia. Also, an announcement was made regarding the public hearing by the County Commission of Kanawha County, West Virginia, concerning the dissolution of the District. This hearing is to be held on May 17, 2001, at 5:30 p.m., at the Kanawha County Courthouse.

There being no further business to discuss, a motion was made by Joe Izzo, and seconded by Barbara Abernathy, that the meeting be adjourned. This motion was unanimously passed.

Joseph J. Izzo, Chairman

H. Wyatt Hanna, III, Acting Secretary

2001-284

At a Regular Session of the County Commission of Kanawha County, West Virginia, held at the Courthouse thereof, on the 17th day of May, 2001, the following order was made and entered:

SUBJECT: MERGER OF GUTHRIE PUBLIC SERVICE DISTRICT WITH THE CITY OF CHARLESTON'S SANITARY SEWER SYSTEM AND THE DISSOLUTION OF GUTHRIE PUBLIC SERVICE DISTRICT.

The following motion was offered by Henry C. Shores, Commissioner:

The County Commission of Kanawha County, West Virginia, having held a Public Hearing on the merger of Guthrie Public Service District with the sewer system of the City of Charleston and the subsequent dissolution of the Guthrie Public Service District upon completion of the merger on or about the 22nd day of May, 2001, pursuant to West Virginia Code, Chapter 16, Article 13A, Section 2, does hereby ORDER that the said Guthrie Public Service District be merged with the sewer system of The City of Charleston, that the completion of the merger the said Guthrie Public Service District shall be dissolved and that the President and Clerk are authorized to execute the Escrow Agreement.

The adoption of the foregoing motion having been moved by Henry C. Shores, Commissioner, and duly seconded by Dave Hardy, Commissioner, the vote thereon was as follows:

W. Kent Carper, President	Aye
Henry C. Shores, Commissioner	Aye
David J. Hardy, Commissioner	Aye

WHEREUPON, W. Kent Carper, President, declared said motion duly adopted; and it is therefore ADJUDGED and ORDERED that said motion be, and the same is hereby adopted.

W. Kent Carper, President

Henry C. Shores, Commissioner

Dave Hardy

David J. Hardy, Commissioner

Approved By:

C0495661.1

1-800-WVA-NEWS

INVOICE DATE	05/09/01
ACCOUNT NBR	034900003
SALES REP ID	0014
INVOICE NBR	835515001

M

2001 MAY 1

BILLED TO

KANAWHA COUNTY COMMISSION
ATTN: DEBBIE RUCKER
P.O. BOX 3627
CHARLESTON WV 25336

I, ALMA Y. KING, do hereby certify that this is a true copy from the original.
Teste: ALMA Y. KING, Clerk
Kanawha County Commission
Date 5/18/2001 By Charlotte Templeton
Deputy

The articles listed on this invoice have been Purchased for the use of Kanawha County, and have been received in good condition except as noted hereon. Unit prices have been checked with the purchase orders, extensions and total cost have been verified and this invoice is approved for payment accordingly.

Please return this portion with your payment.
Make checks payable to Charleston Newspapers

Jerie Whitehead

AMOUNT PAID:

ACCT. NO.	401-20	
DISCOUNT		
NET	21	90

CHARLESTON NEWSPAPERS
P.O. Box 2993
Charleston, West Virginia 25330
Billing 348-4898
Classified 348-4848
1-800-WVA-NEWS
FEIN 55-0676079

INVOICE DATE	05/09/01
ACCOUNT NBR	034900003
SALES REP ID	0014
INVOICE NBR	835515001

Legal pricing is based upon 63 words per column inch at a rate of $.0925 per word.
Each successive insertion is discounted by 25% of the first insertion rate ($.069375 per word).

ISSUE DATE	AD TYPE	PUB	DESCRIPTION REFERENCE NBR PURCHASE ORDER #	AD NUMBER	AD SIZE TOTAL RUN	RATE	GROSS AMOUNT	NET AMOUNT
05/07	LEGF	GZ	PUB NOTICE 835515001	L458142	1X0188 1.88	5.83	10.95	
05/07	LEGF	DM	PUB NOTICE 835515001	L458142	1X0188 1.88	5.83	10.95	21.90
			TOTAL INVOICE AMOUNT					21.90

State of West Virginia

AFFIDAVIT OF PUBLICATION

Legg of
TTE, A DAILY DEMOCRATIC NEWSPAPER,
AILY REPUBLICAN NEWSPAPER,
Kanawha County, West Virginia, do solemnly swear that the annexed notice of:

during the dates listed below, and was posted at the front door of the court house of said Kanawha County,
y of MAY 2001. Published during the following dates: 05/07/01-05/07/01

Subscribed and sworn to before me this 10 day of May

Printers fee $ 21.90

Lynn R Fielder
Notary Public of Kanawha County, West Virginia

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
LYNN R. FIELDER
3245 PUTNAM AVE
HURRICANE, WV 25526
My Commission Expires December 11, 2002

A Public Meeting will be held Thursday, May 17, 2001, at 5:30 p.m. in the Kanawha County Commission Courtroom, Kanawha County Courthouse, Charleston, West Virginia.

The purpose of the meeting will be to discuss the proposed merger of Guthrie Public Service District with the City of Charleston's sanitary sewer system and the dissolution of Guthrie Public Service District.

THE KANAWHA COUNTY COMMISSION (458142)

AFFIDAVIT

STATE OF WEST VIRIGNIA

COUNTY OF KANAWHA, to-wit:

Karrie Mattox, being first duly sworn, says that:

On May 4, 2001, I, Karrie Mattox, posted a Notice of Public Hearing in the matter of the merger of Guthrie Public Service District with the City of Charleston's sanitary sewer system and the dissolution of Guthrie Public Service District by the County Commission of Kanawha County, West Virginia, said Public Hearing being scheduled on Thursday, May 17, 2001 at 5:30 p.m. in the County Commission Hearing Room, Kanawha County Courthouse, Charleston, West Virginia; said Notice was posted in five (5) conspicuous places within the boundaries of the aforementioned Public Service District situate in Kanawha County at the following locations:

11. Rich's (Gas Station), Rt. 21, Charleston, WV;
12. Stowers Body Shop, 4249 Sissonville Drive, Charleston, WV;
13. Tan Time, 3833 Sissonville Drive, Charleston, WV;
14. Bonham Elementary, Rt. 1, Box 425A, Charleston, WV
15. Valley Air, Inc., 3000 Edens Fork, Charleston, WV

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
TERESA A. POSTON
5[illegible]A Central Avenue
Charleston, WV 2[illegible]
My Comm. Exps. June 26, 2005

Karrie Mattox

Karrie Mattox

Taken, subscribed and sworn to before the undersigned authority by Karrie Mattox, in the county aforesaid this 7th day of May, 2001.

My commission expires June 26, 2005.

Teresa C. Poston

Notary Public

C0496227.1

AFFIDAVIT

STATE OF WEST VIRIGNIA

COUNTY OF KANAWHA, to-wit:

Samme L. Gee, being first duly sworn, says that:

On May 4, 2001, I, Samme L. Gee, posted a Notice of Public Hearing in the matter of the merger of Guthrie Public Service District with the City of Charleston's sanitary sewer system and the dissolution of Guthrie Public Service District by the County Commission of Kanawha County, West Virginia, said Public Hearing being scheduled on Thursday, May 17, 2001 at 5:30 p.m. in the County Commission Hearing Room, Kanawha County Courthouse, Charleston, West Virginia; said Notice was posted in five (5) conspicuous places within the boundaries of the aforementioned Public Service District situate in Kanawha County at the following locations:

6. Rich's (Gas Station), Rt. 21, Charleston, WV;
7. Stowers Body Shop, 4249 Sissonville Drive, Charleston, WV;
8. Tan Time, 3833 Sissonville Drive, Charleston, WV;
9. Bonham Elementary, Rt. 1, Box 425A, Charleston, WV
10. Valley Air, Inc., 3000 Edens Fork, Charleston, WV

Samme L. Gee

Taken, subscribed and sworn to before the undersigned authority by Samme L. Gee, in the county aforesaid this 5th day of May, 2001.

My commission expires June 1, 2008.

Notary Public

C0496227.1

AFFIDAVIT

STATE OF WEST VIRIGNIA

COUNTY OF KANAWHA, to-wit:

David L. Bostic, being first duly sworn, says that:

On May 4, 2001, I, David L. Bostic, posted a Notice of Public Hearing in the matter of the merger of Guthrie Public Service District with the City of Charleston's sanitary sewer system and the dissolution of Guthrie Public Service District by the County Commission of Kanawha County, West Virginia, said Public Hearing being scheduled on Thursday, May 17, 2001 at 5:30 p.m. in the County Commission Hearing Room, Kanawha County Courthouse, Charleston, West Virginia; said Notice was posted in five (5) conspicuous places within the boundaries of the aforementioned Public Service District situate in Kanawha County at the following locations:

1. Rich's (Gas Station), Rt. 21, Charleston, WV;
2. Stowers Body Shop, 4249 Sissonville Drive, Charleston, WV;
3. Tan Time, 3833 Sissonville Drive, Charleston, WV;
4. Bonham Elementary, Rt. 1, Box 425A, Charleston, WV
5. Valley Air, Inc., 3000 Edens Fork, Charleston, WV

David L. Bostic
Executive Director

Taken, subscribed and sworn to before the undersigned authority by David L. Bostic, in the county aforesaid this 11 day of May, 2001.

My commission expires August 24, 2008.

Phyllis J. Cowley
Notary Public

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
Phyllis J. Cowley
Kanawha County Commission
P.O. Box 3827
Charleston, WV 25336
My Commission Expires August 24, 2008

PUBLIC NOTICE

A Public Meeting will be held Thursday, May 17, 2001, at 5:30 p.m. in the Kanawha County Commission Courtroom, Kanawha County Courthouse, Charleston, West Virginia.

The purpose of the meeting will be to discuss the proposed merger of Guthrie Public Service District with the City of Charleston's sanitary sewer system and the dissolution of Guthrie Public Service District.

THE KANAWHA COUNTY COMMISSION

C0495886.1

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 2nd day of January, 2001.

CASE NO. 00-0152-PSD-PC

GUTHRIE PUBLIC SERVICE DISTRICT
and THE SANITARY BOARD OF THE
CITY OF CHARLESTON

Petition for consent and approval for the acquisition of Guthrie Public Service District by the Sanitary Board of the City of Charleston.

COMMISSION ORDER

PROCEDURE

On January 25, 2000, the Guthrie Public Service District (District) filed a petition to merge the District into the Sanitary Board of the City of Charleston (City) pursuant to *West Virginia Code* §§16-13A-2 and 16-13A-18a. In an Initial and Final Internal Memorandum filed February 23, 2000, Staff noted that this proceeding is similar to Case No. 98-0215-PSD-PC, Mt. Tyler Public Service District and the Sanitary Board of the City of Charleston, final October 15, 1998.

The District furnishes sewer service to the Guthrie area of Kanawha County. The sewage collected by the District is treated by the City under the terms of an operating agreement between the parties which was approved by this Commission. In addition, the City performs the billing and collecting service for the District, as well as the maintenance required of the system.

The City operates a sewage collection and treatment facility in the City of Charleston and vicinity, and renders service as specified above to the District.

By contract dated April 13, 1999, the City and the District signed an agreement (Agreement) providing for the acquisition of the Guthrie sewer system into the system of the City of Charleston operated by the Charleston Sanitary Board. The Agreement provides that the City will take possession of all of the property and obligations of the District and render service to the customers and meet the obligations now being met by the District. The Agreement further provides that the customers of the District will become customers of the

City and be charged the Charleston Sanitary Board rates, except for the imposition of a surcharge on the customers now, and in the future, attached to the present Guthrie system that is sufficient to retire the presently outstanding bonds. The proposed surcharge will be $1.75 per thousand gallons, subject to change depending on financing arrangements and number of customers to be surcharged. The District customers will pay a 25.28% to 38.04% lower bill than they are now paying, including the surcharge. A tariff filing will be made reflecting this charge.

On April 14, 2000, the Commission entered an order stating that it may waive formal hearing and grant the application of the Guthrie Public Service District and the Sanitary Board of the City of Charleston upon the District fulfilling certain requirements. The District was required to:

1. Give notice of the filing of its application for the proposed acquisition by publishing a copy of this order once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Kanawha County, making due return to this Commission of proper certification of publication immediately after publication.

2. Provide Staff with a copy of the District's board minutes where the District's Board approved the acquisition.

3. Submit a statement, along with the City, that the County Commission favors the acquisition.

4. Submit a statement from the WDA which provides clarification relative to the ordinance from the City of Charleston wherein the City legally assumes the debt of the District.

On May 10, 2000, counsel for the District submitted the minutes of the March 14, 2000 meeting of the Districts' Board wherein they approved the terms and conditions of the Agreement concerning the acquisition of the District by the City.

On June 16, 2000, the District submitted the original affidavit evidencing publication as required.

On June 28, 2000, the District filed a response to the Commission's April 14, 2000 Order, with an attached letter from the Water Development Authority (WDA). The District's response clarifies that the WDA does not expect all of its requirements to be met before the Commission authorizes the transfer.

Public Service Commission
of West Virginia
Charleston

By letter dated December 13, 2000, the district filed a resolution from the Kanawha County Commission that approved the sale of the District to the City which was adopted on December 7, 2000.

DISCUSSION

Although the Petition refers to this transaction as a merger, this proceeding is the acquisition of a public service district by a municipal utility. West Virginia Code §16-13A-18a, defines the methods and procedures necessary for the acquisition of a public service district by a private or municipal entity. The Commission finds that the District has complied with all the requirements set out by the *Code* and the Commission in its April 14, 2000 Order.

Additionally, the Commission finds that the proposed acquisition is in the public interest, as both the City of Charleston Sanitary Board and the current customers of the Guthrie system will benefit from the merger. Therefore, the Commission shall waive formal hearing and grant the application of the Guthrie Public Service District and the Sanitary Board of the City of Charleston, permitting the acquisition of Guthrie PSD by the Sanitary Board of Charleston, based upon the evidence submitted with the application.

FINDINGS OF FACT

1. On January 25, 2000, the Guthrie Public Service District filed a petition to allow the Sanitary Board of the City of Charleston to acquire the District. In an Initial and Final Internal Memorandum filed February 23, 2000, Staff noted that this proceeding is similar to Case No. 98-0215-PSD-PC, Mt. Tyler Public Service District and the Sanitary Board of the City of Charleston, final October 15, 1998.

2. On April 14, 2000, the Commission entered an order stating that it may waive formal hearing and grant the application of the Guthrie Public Service District and the Sanitary Board of the City of Charleston upon the District fulfilling certain requirements.

3. The District has fulfilled all the requirements set out by the Commission in its April 14, 2000 Order for approval of the acquisition of Guthrie PSD by the Sanitary Board of Charleston.

CONCLUSIONS OF LAW

1. The City of Charleston Sanitary Board will benefit from the proposed acquisition, as it will have additional customers to support its fixed costs.

2. The District customers will pay a lower bill than they are currently paying, including the surcharge, following the proposed acquisition.

3. The District has fulfilled all the requirements set out by Commission Staff in its April 14, 2000 Order for approval of the acquisition.

4. The Board of the District and the Kanawha County Commission have approved the acquisition.

5. It is in the public interest to approve the proposed merger thereby granting the Sanitary Board of the City of Charleston to acquire the Guthrie Public Service District.

ORDER

IT IS THEREFORE ORDERED that formal hearing is hereby waived and the application of the Guthrie Public Service District and the Sanitary Board of the City of Charleston whereby the City of Charleston Sanitary Board acquires the Guthrie Public Service District system, including all property and assets, both real and personal, and transfer of the certificate of convenience and necessity now being held by Guthrie Public Service District to the City of Charleston Sanitary Board, and approval of the contract between the parties , including the proposed surcharge on the present customers of the Guthrie system , is hereby approved.

IT IS FURTHER ORDERED that the City file appropriate tariffs reflecting the rates approved herein within 30 days of the date of closing.

IT IS FURTHER ORDERED that upon entry of this order this case shall be removed from the Commission's docket of active cases.

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

A True Copy, Teste:

BFE/lfg
000152ca.wpd

Sandra Squire

Sandra Squire
Executive Secretary

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement"), made and entered into as of the 22nd day of May, 2001, by and among THE COUNTY COMMISSION OF KANAWHA COUNTY, a political subdivision of the State of West Virginia (the "Commission"), THE CITY OF CHARLESTON, WEST VIRGINIA, a political subdivision of the State of West Virginia (the "City"), and BRANCH BANKING AND TRUST COMPANY (the "Escrow Agent").

W I T N E S S E T H:

WHEREAS, the City now owns a sewerage collection and treatment system (the "System"), both within and without the corporate limits of the City and the System is under the supervision and control of the Sanitary Board of the City (the "Sanitary Board");

WHEREAS, Guthrie Public Service District ("District") was a public service district created pursuant to Chapter 16, Article 13A of the West Virginia Code, 1931, as amended (the "Code") and provided sewer collection service to approximately 359 customers. The City treated sewerage from the District pursuant to an agreement entered into in 1990 and the Sanitary Board maintained lines, performed billing and collection services, prepared financial statements and many other functions;

WHEREAS, the City and the District signed an agreement dated April 13, 1999, concerning the proposed merger (the "Merger Agreement"), attached hereto as Exhibit A and incorporated herein, providing that the City will take possession of all the property and

assets of the District, the City will assume all of the legal and financial obligations of the District and the customers served by the District will become customers to be served by the City;

WHEREAS, the Public Service Commission of West Virginia (the "Commission") approved the merger by an order dated January 2, 2001 in Case No. 00-0152-PSD-PC (the "Order"), attached hereto as Exhibit B and incorporated herein;

WHEREAS, the District adopted a resolution on May 8, 2001 (the "Authorizing Resolution"), attached hereto as Exhibit C and incorporated herein, authorizing the merger with the System;

WHEREAS, the City has simultaneously herewith issued its $823,741 Sewerage System Revenue Bonds, 2001 Series B to assume the District's Sewer Revenue Bonds, Series 1990A and its $30,492 Sewerage System Revenue Bonds, 2001 Series C to assume the District's Sewer Revenue Bonds, Series 1990B (collectively, the "2001 Bonds") pursuant to the Sewerage System Bond Ordinance duly passed by the Council of the City on March 19, 2001, effective April 2, 2001, and the Supplemental Resolution adopted April 2, 2001, relating to the 2001 Bonds (collectively, the "Ordinance");

WHEREAS, the District is now merged with the City's System and is considered dissolved;

WHEREAS, the District's customers were required to pay customer guarantee deposits ("Customer Guarantee Deposits") upon connection to the District's system; however, the City's customers are not required to pay a guarantee deposit and, therefore, the

District's customers will be refunded the Customer Guarantee Deposits from the Escrow Fund;

WHEREAS, the Commission and City are entering into this Escrow Agreement pursuant to an Order of The County Commission of Kanawha County, West Virginia dated May 3, 2001 (the "Commission Order"), to assure compliance with paragraph six of the Merger Agreement (the "Additional Projects"), said Order is attached hereto as Exhibit D and incorporated herein;

WHEREAS, pursuant to the Commission Order, the President and Clerk are authorized to enter into this Agreement on behalf of the Commission;

WHEREAS, the Commission and the City have made arrangements for the Escrow Agent to receive District funds in the amount of $85,000.00 and any outstanding amounts received from customers of the District on or after the effective date of the merger (the "Escrow Deposit"), which funds will be used by the City to refund the Customer Guarantee Deposits, to pay all outstanding debts of the District and the balance to construct, to the extent funds are available, the Additional Projects;

WHEREAS, the Commission and the City have found it desirable to appoint the Escrow Agent for the purposes of holding title to the Escrow Deposit and disbursing to the City such amounts as are necessary, refund Customer Guarantee Deposits, pay outstanding debts of the District and from time to time, to provide for payment of costs associated with the Additional Projects as set forth in the Merger Agreement and holding and investing and reinvesting any cash balances which may at any time not be needed for immediate disbursement in a qualified investment.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH: That for and in consideration of the mutual agreements contained herein, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives, successors and assigns, as follows:

1. The Commission and the City hereby appoint Branch Banking and Trust Company, as Escrow Agent.

2. The Escrow Agent hereby acknowledges receipt of true and correct copies of the Merger Agreement, the Ordinance and the Commission Order.

3. There is hereby created and established with the Escrow Agent a special and irrevocable fund designated "The City of Charleston-Guthrie Public Service District Escrow Fund" (the "Escrow Fund"), to be held in the custody of the Escrow Agent separate and apart from any other funds of the City or the Escrow Agent. The deposit of the monies in the Escrow Fund shall constitute an irrevocable deposit of said monies in trust for, and such monies shall be applied, except as otherwise provided herein, in accordance with paragraph four hereof.

4. The District shall deliver the Escrow Deposit to the Escrow Agent on May 22nd, 2001 (simultaneously with the bond closing). Any amounts received from customers of the District thereafter shall be deposited in the Escrow Fund. Moneys in the Escrow Fund shall be expended by the City for the Additional Projects as set forth in the Merger Agreement, to refund all Customer Guarantee Deposits and to pay any outstanding debts of the District. The Escrow Agent shall disburse to the City, upon receipt of a completed Disbursement Request Form, which form is attached hereto as Exhibit E, such

amounts as are necessary, from time to time, to provide for the payments set forth herein. The Escrow Agent shall invest and reinvest any cash balances which may at any time not be needed for immediate disbursement in qualified investments as defined in Exhibit F.

9. The Escrow Agent shall be entitled to fees for services rendered under this Agreement and reasonable expenses which may be paid from the Escrow Fund.

10. The liability of the Escrow Agent for the payment of the costs associated with the Additional Projects shall be limited to the application of the monies available for such purposes in the Escrow Fund, and the Escrow Agent shall not be liable or responsible because of the failure of the Commission or the City to perform any act required of either of them by this Agreement or because of the loss of any monies arising through the insolvency or the act or default or omission of any depository in which such monies shall have been deposited. The Escrow Agent shall have no responsibility to the Commission, the City, or any other person in connection with this Escrow Agreement, except as specifically provided herein, and shall not be responsible for anything done or omitted to be done by it except for its own negligence or willful default in the performance of any obligation imposed on it hereunder. The Escrow Agent may rely upon the requisitions, when properly executed by the City, as being valid requests for distribution of monies.

11. The Escrow Agent may act on any requisition which it in good faith believes to be genuine and to have been passed or signed by the proper persons and the Escrow Agent shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement.

12. By execution of this Escrow Agreement, the Escrow Agent accepts the duties and obligations as Escrow Agent hereunder. The Escrow Agent represents that it has all requisite power and has taken all action necessary to execute the trusts hereby created.

13. The Escrow Agent shall not have any responsibility with respect to the validity or sufficiency of this Agreement.

14. This Agreement shall terminate on the date on which the Escrow Deposit has been totally expended or three (3) years from the date of this Agreement, whichever comes first. Any monies remaining in the Escrow Fund at that time shall revert to the Commission.

15. This Agreement is made in the State of West Virginia under the Constitution and laws of such state and is to be so construed.

16. If any one or more of the covenants or agreements provided in this Agreement to be performed on the part of any of the parties hereto should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

17. The Escrow Agent joins in the execution of this Agreement for the purpose of evidencing its acceptance of the trust imposed upon it and as evidence of its power to serve as such escrow agent.

18. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be affixed hereto by their proper officers thereunto duly authorized.

THE COUNTY COMMISSION OF
KANAWHA COUNTY, WEST VIRGINIA

[SEAL]

By: _____
Its: President

ATTEST:

_____
Its: Clerk

THE CITY OF CHARLESTON, WEST VIRGINIA

By: _____
Its: Mayor

(SEAL)

ATTEST:

_____
Its: City Clerk

BRANCH BANKING AND TRUST COMPANY

By: _____
Its: Authorized Officer

IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be affixed hereto by their proper officers thereunto duly authorized.

THE COUNTY COMMISSION OF
KANAWHA COUNTY, WEST VIRGINIA

[SEAL]

By: _____
Its: President

ATTEST:

_____
Its: Clerk

THE CITY OF CHARLESTON, WEST VIRGINIA

By:_____
Its: Mayor

(SEAL)

ATTEST:

_____
Its: City Clerk

BRANCH BANKING AND TRUST COMPANY

By:_____
Its: Authorized Officer

EXHIBIT A

Merger Agreement

EXHIBIT B

PSC Order

EXHIBIT C

Authorizing Resolution

EXHIBIT D

County Commission Order

EXHIBIT E

Disbursement Request Form

[BANK]

Re: Escrow Agreement

Dear Sir or Madam:

You are authorized, on behalf of The City of Charleston, West Virginia to make the following disbursements from The City of Charleston-Guthrie Public Service District Escrow Fund:

The expenses listed above have been incurred as Costs of the _____ as defined in the Merger Agreement that have not been the basis of any previous disbursement.

Very truly yours,

THE CITY OF CHARLESTON, WEST VIRGINIA

By _____
Authorized Officer

Date: _____

EXHIBIT F

Qualified Investments

"Qualified Investments" shall mean and include any of the following:

(a) Government Obligations;

(b) obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

- Export - Import Bank
- Farmers Home Administration
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association (GNMA)
- U.S. Department of Housing & Urban Development (PHA's)
- Federal Housing Administration;

(c) bonds, notes or other evidences of indebtedness rated "AAA" by Standard & Poor's Corporation and "Aaa" by Moody's Investor Services, Inc. issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(d) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchases of "A-1" or "A-1+" by Standard & Poor's Corporation and "P-1" by Moody's Investor Services, Inc. and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(e) commercial paper which is rate at the time of purchase in the single highest classification, "A-1+" by Standard & Poor's Corporation and "P-1" by Moody's Investor Services, Inc. and which matures not more than 270 days after the date of purchase;

(f) investments in a money market fund rated "AAAm" or "AAAm-G" or better by Standard & Poor's Corporation or any money market fund qualified for trust investments; and

(g) pre-refunded municipal obligations defined as follows:

Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (A) which are rated, based on the escrow, in the highest rating category of Standard & Poor's Corporation and Moody's Investor Services, Inc. or any successors thereto; or (B)(i) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations described in paragraph (a) above, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which fund is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate.

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

CERTIFICATE OF:

1. TERMS
2. NO LITIGATION
3. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
4. SIGNATURES
5. PUBLIC SERVICE COMMISSION ORDER; RATES
6. INCUMBENCY AND OFFICIAL NAME
7. MERGER AGREEMENT
8. MEETINGS
9. LOAN AGREEMENT
10. TRUTH AND ACCURACY
11. SPECIMEN BONDS
12. EXCLUSION
13. NO FEDERAL GUARANTY
14. IRS INFORMATION RETURN
15. COUNTERPARTS

We, the undersigned MAYOR and the undersigned CITY CLERK of The City of Charleston, West Virginia (herein called the "Issuer"), and the undersigned ATTORNEY for the Issuer, hereby certify in connection with the single, fully registered The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series B, numbered BR-1, dated the date hereof, in the principal amount of $823,741 and bearing interest at the rate of 7.850% percent per annum (the "2001 B Bonds") and the single, fully registered The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series C, numbered CR-1, dated the date hereof, in the principal amount of $30,492 and bearing no interest (the "2001 C Bonds," and collectively with the 2001 B Bonds, the "2001 Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this Certificate and not otherwise defined shall have the same meaning as in the Sewerage System Bond Ordinance duly passed by the Council (the "Council") of the Issuer on March 19, 2001, effective April 2, 2001, and the Supplemental Resolution adopted April 2, 2001, relating to the 2001 Bonds (collectively, the "Ordinance"). Capitalized terms, not defined herein, shall have the meanings set forth in the Ordinance.

2. NO LITIGATION: No controversy or litigation of any nature is now pending, or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting the issuance and delivery of the 2001 Bonds; nor questioning the proceedings and authority by which the Council of the Issuer authorized the merger and assumption of Guthrie Public Service District (the "District") Sewer Revenue Bonds, Series 1990A and Series 1990B (the "District Bonds"); nor affecting the validity of the 2001 Bonds or any provisions made or authorized for the payment thereof; nor questioning the existence of the Issuer or the title of the members or officers of the Issuer or of the Council thereof to their respective offices; nor questioning the assumption of the assets of the District and the assumption of certain outstanding debt of the District.

3. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since January 2, 2001. The Issuer has met the coverage requirements and parity tests of the Prior Ordinance. The 2001 B Bonds, which replace the District's Series 1990 A Bonds, shall be issued with a lien on the Net Revenues on a parity with the lien held by the registered owners of the First Lien Bonds, but the lien of such 2001 B Bonds shall be senior and superior to the lien of the registered owners of the Second Lien Bonds. The lien of the 2001 C Bonds, which replace the District's Series 1990 B Bonds, will be on parity with the Second Lien Bonds and junior to the First Lien Bonds and the 2001 Series B Bonds.

The Issuer has received the certificate of Grigoraci, Trainer, Wright & Paterno, independent certified public accountants, to the effect that the Issuer has met the parity test set forth in the Prior Ordinance. The Issuer has received the written consent of the West Virginia Water Development Authority with respect to the assumption of the District Bonds and the lien position of the 2001 Bonds.

4. SIGNATURES: The undersigned Mayor and City Clerk are the duly elected or appointed, qualified and serving officers of the Issuer as indicated by the official titles opposite their signatures below, and were duly authorized to execute and seal the 2001 Bonds for the Issuer. The seal impressed upon the 2001 Bonds and this Certificate is the duly authorized, proper and only seal of the Issuer.

5. PUBLIC SERVICE COMMISSION ORDER; RATES: The Issuer has taken all actions required to maintain the Public Service Commission order dated January 2, 2001, in full force and effect, which Order approved the merge of the District's System into the Issuer's System. The appeal period has expired.

The Council is in the process of amending and reenacting the City's Sewer Rate Ordinance which Ordinance as amended will include the provision for a surcharge of $1.75 per thousand gallons, subject to change as provided in the Order, for the customers of the District to be charged until the 2001 Bond outstanding bond debt is retired.

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "The City of Charleston", and it is a municipal corporation of the State of

West Virginia in Kanawha County of said State. The names and dates of commencement and termination of current terms of office of the Mayor, City Clerk, members of Council and the Sanitary Board are as follows:

City Council

Office	Name	Date Of Commencement Of Office	Date Of Termination Of Office
Mayor	Jay Goldman	May 1, 1999	April 30, 2003
Recorder	James M. Reishman	May 1, 1999	April 30, 2003
Council Member	Patrick Jones	May 1, 1999	April 30, 2003
Council Member	Bobby Haas	May 1, 1999	April 30, 2003
Council Member	James "Moses" Lanham	May 1, 1999	April 30, 2003
Council Member	Kenneth McKnight	May 1, 1999	April 30, 2003
Council Member	David Molgaard	May 1, 1999	April 30, 2003
Council Member	Edward Talkington	May 1, 1999	April 30, 2003
Council Member	Henry Knauff	May 1, 1999	April 30, 2003
Council Member	Fred Petry	May 1, 1999	April 30, 2003
Council Member	Betty Morton	May 1, 1999	April 30, 2003
Council Member	Sara M. Crickenberger	May 1, 1999	April 30, 2003
Council Member	Ryan Henry	May 1, 1999	April 30, 2003
Council Member	Jim Harris, Jr.	May 1, 1999	April 30, 2003
Council Member	Linda M. Nielsen	May 1, 1999	April 30, 2003
Council Member	Larry L. Roller	May 1, 1999	April 30, 2003
Council Member	John Charnock	May 1, 1999	April 30, 2003
Council Member	Bobby Reishman	May 1, 1999	April 30, 2003
Council Member	Donna Prunty	May 1, 1999	April 30, 2003
Council Member	William Kimberling	May 1, 1999	April 30, 2003
Council Member	Ditty L. Markham	May 1, 1999	April 30, 2003
Council Member	David Lanham	February 20, 2001	April 30, 2003
Council Member	Mary Jean Davis	May 1, 1999	April 30, 2003
Council Member	J. Thomas Lane	May 1, 1999	April 30, 2003
Council Member	Charles W. Loeb, Jr.	May 1, 1999	April 30, 2003
Council Member	Mary Jane Lopez	May 1, 1999	April 30, 2003
Council Member	Y. Howard Quick, Jr.	May 1, 1999	April 30, 2003
Council Member	Beth Fouty-Young	May 1, 1999	April 30, 2003

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

Chairman:	Jay Goldman, Mayor
Member:	John Tinney
Member:	Sam Bowling, P.E.

The duly appointed and acting Attorney for the Issuer is Jill M. Harlan, Esquire, of Charleston, West Virginia. The duly appointed and acting attorneys for the Sanitary Board are Spilman, Thomas & Battle, PLLC, Charleston, West Virginia.

7. MERGER AGREEMENT: The Issuer and the District signed an agreement dated April 13, 1999, concerning the proposed merger, providing that the Issuer will take possession of all the property and assets of the District, the Issuer will assume all of the legal and financial obligations of the District and the customers served by the District will become customers to be served by the Issuer, thereby lowering the rates paid by the District's customers.

8. MEETINGS: All actions, ordinances, resolutions, orders and agreements taken, adopted and entered into by or on behalf of the Issuer in any way connected with the construction, acquisition, operation and financing of the Project were authorized or adopted at meetings of the Council duly and regularly or specifically called and held pursuant to all applicable statutes and the rules of procedure of Council, and a quorum of duly appointed, qualified and acting members of the Council was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

9. LOAN AGREEMENT: The District's Loan Agreement and Supplemental Loan Agreement, both dated March 30, 1990, and the payment of principal and interest and covenants thereunder are being assumed by the Issuer by merger. Each of the Loan Agreements, as assumed, will remain in full force and effect.

10. TRUTH AND ACCURACY: As of the date hereof, Jay Goldman, Mayor and James M. Reishman, City Clerk hereby certify that the copies of documents previously or on the date hereof certified by them as being true and accurate are true and accurate as of the date hereof and that none of such documents has been repealed, rescinded, amended or otherwise modified.

11. SPECIMEN BONDS: Attached hereto as Exhibit A and Exhibit B are specimens of the 2001 Bonds which, except as to execution and authentication, is identical in all respects with such 2001 Bonds this day delivered to the Authority and being substantially in the form prescribed in the Ordinance.

12. EXCLUSION: The Issuer will not permit, at any time, any of the proceeds of the 2001 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 2001 Bonds from the treatment afforded by Section 103(a) of the Code.

13. NO FEDERAL GUARANTY: The 2001 Bonds are not and will be, in whole or part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

14. IRS INFORMATION RETURN: On the date hereof, the undersigned Mayor did officially sign a properly completed IRS Form 8038-G and will cause such executed Form 8038-G to be filed in a timely manner with the Internal Revenue Service Center, Philadelphia, Pennsylvania.

15. COUNTERPARTS: This Certificate may be executed in counterpart and such parts shall be deemed to be the Certificate.

[The Remainder of This Page is Intentionally Left Blank.]

WITNESS our signatures and the official corporate seal of The City of Charleston, West Virginia on this 22nd day of May, 2001.

[SEAL]

SIGNATURE	OFFICIAL TITLE
_____	Mayor
_____	City Clerk
_____	City Attorney

EXHIBIT A

SPECIMEN BOND

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
COUNTY OF KANAWHA
THE CITY OF CHARLESTON
SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B

No. BR-1 $823,741

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF CHARLESTON, a municipal corporation of the State of West Virginia, in Kanawha County of said State (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority "), or registered assigns, the sum of Eight Hundred Twenty-Three Thousand Seven Hundred Forty-One Dollars ($823,741), 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 installments continuing on October 1, as set forth on the "Schedule of Annual Debt Service" attached as Schedule A hereto and incorporated herein by reference, with interest on each installment at the rate of 7.850% per annum as set forth on said Schedule A.

Principal installments of this 2001 Series B Bond are payable in any coin or currency which, on the respective dates of payment of principal, 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 Paying Agent. The interest on this 2001 Series B Bond is payable by check or draft mailed to the Payee at the address as it appears on the books of the Registrar, as hereinafter defined, on the 15th day of the month preceding an interest payment date or by such other method as shall be mutually agreeable so long as the Authority is registered owner hereof.

This 2001 Series B 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.

This 2001 Series B Bond is issued to evidence the City's assumption of the Guthrie Public Service District's Sewer Revenue Bonds, Series 1990A issued in the aggregate principal amount of $878,695 (the "Series 1990 A Bonds"). This 2001 Series B 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 of the West Virginia Code of 1931, as amended (the "Act"), Ordinance No. 4828 enacted on April 20, 1992, as amended, Ordinance No. 6777 enacted by the City on the 2nd day of April, 2001, and a Supplemental Resolution adopted by the City on the 2nd day of April, 2001 (collectively called the "Ordinance"), and is subject to all the terms and conditions thereof. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the 2001 Series B Bonds under the Ordinance.

This 2001 Series B Bond ranks equally as to lien and security with the First Lien Bonds, and senior to the Sewerage System Revenue Bonds, 2001 Series C (the "2001 Series C Bonds") and the Second Lien Bonds, all as defined in the Ordinance.

This 2001 Series B Bond is payable only from and secured by a pledge of a first lien on the Net Revenues as defined in the Ordinance, to be derived from the operation of the System, moneys in the Reserve Account created under the Ordinance and unexpended proceeds of the 2001 Series B Bonds on parity with the First Lien Bonds, but senior to the 2001 Series C Bonds and the Second Lien Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This 2001 Series B Bond does not constitute a corporate indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, nor shall the City be obligated to pay the same or the interest thereon except from said special fund provided from the Net Revenues, the moneys in the Reserve Account and unexpended 2001 Series B Bond proceeds. Pursuant to the Ordinance, the City has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to pay the maximum amount due in any ensuing fiscal year of principal of and interest on all obligations on a parity with or prior to the 2001 Series B Bonds, payable from such revenues, provided however, that so long as there exists in the Reserve Account an amount equal to the maximum amount of principal and interest which will become due on the 2001 Series B Bonds and any bonds on a parity therewith in any succeeding fiscal year and in each of the reserve accounts for the Prior Bonds, respectively, an amount equal to the requirement therefor, such percentage may be reduced to 110%. The City has entered into certain further covenants with the registered owners of the 2001 Series B Bonds for the terms of which reference is made to the Ordinance. Remedies provided the registered

owners of the 2001 Series B Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

This 2001 Series B Bond is transferable, as provided in the Ordinance, only upon the books of Branch Banking and Trust Company, Charleston, West Virginia (the "Registrar"), kept for that purpose at the office of the Registrar, by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this 2001 Series B 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.

This 2001 Series B Bond, under the provision of the Act is, and has provided 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 2001 Series B Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the assumption of the Series 1990 A Bonds described in the Ordinance or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the owner of this 2001 Series B Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this 2001 Series B Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this 2001 Series B Bond, together with all other obligations of the City, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the City for the prompt payment of the principal of and interest on this 2001 Series B Bond.

All provisions of the Ordinance, resolutions and statutes under which this 2001 Series B Bond is issued shall be deemed to be a part of the contract evidenced by this 2001 Series B Bond to the same extent as if written fully herein.

NUMBER

BR-1

IN WITNESS WHEREOF, THE CITY OF CHARLESTON has caused this 2001 Series B Bond to be signed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Clerk, and has caused this 2001 Series B Bond to be dated the 22nd day of May, 2001.

[SEAL]

Mayor

SPECIMEN

ATTEST:

City Clerk

SPECIMEN

NUMBER

BR-1

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This 2001 Series B Bond is one of the 2001 Series B Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the registered owner set forth above.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

By _____
Its Authorized Officer

Dated: May 22, 2001

SCHEDULE A

SCHEDULE OF ANNUAL DEBT SERVICE

Guthrie Public Service District
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 30-Mar-90

Date	Coupon	Principal	Interest	Debt Service 7.85% Bonds
01-Oct-90			34,680.38	34,680.38
01-Oct-91	7.85%	3,820.00	68,977.56	72,797.56
01-Oct-92	7.85%	4,121.00	68,677.69	72,798.69
01-Oct-93	7.85%	4,444.00	68,354.19	72,798.19
01-Oct-94	7.85%	4,793.00	68,005.34	72,798.34
01-Oct-95	7.85%	5,169.00	67,629.08	72,798.08
01-Oct-96	7.85%	5,575.00	67,223.32	72,798.32
01-Oct-97	7.85%	6,013.00	66,785.68	72,798.68
01-Oct-98	7.85%	6,484.00	66,313.66	72,797.66
01-Oct-99	7.85%	6,993.00	65,804.67	72,797.67
01-Oct-2000	7.85%	7,542.00	65,255.72	72,797.72
01-Oct-2001	7.85%	8,135.00	64,663.67	72,798.67
01-Oct-2002	7.85%	8,773.00	64,025.07	72,798.07
01-Oct-2003	7.85%	9,462.00	63,336.39	72,798.39
01-Oct-2004	7.85%	10,205.00	62,593.62	72,798.62
01-Oct-2005	7.85%	11,006.00	61,792.53	72,798.53
01-Oct-2006	7.85%	11,870.00	60,928.56	72,798.56
01-Oct-2007	7.85%	12,801.00	59,996.77	72,797.77
01-Oct-2008	7.85%	13,806.00	58,991.89	72,797.89
01-Oct-2009	7.85%	14,890.00	57,908.12	72,798.12
01-Oct-2010	7.85%	16,059.00	56,739.25	72,798.25
01-Oct-2011	7.85%	17,320.00	55,478.62	72,798.62
01-Oct-2012	7.85%	18,679.00	54,119.00	72,798.00
01-Oct-2013	7.85%	20,146.00	52,652.70	72,798.70
01-Oct-2014	7.85%	21,727.00	51,071.24	72,798.24
01-Oct-2015	7.85%	23,433.00	49,365.67	72,798.67
01-Oct-2016	7.85%	25,272.00	47,526.18	72,798.18
01-Oct-2017	7.85%	27,256.00	45,542.32	72,798.32
01-Oct-2018	7.85%	29,395.00	43,402.73	72,797.73
01-Oct-2019	7.85%	31,703.00	41,095.22	72,798.22
01-Oct-2020	7.85%	34,192.00	38,606.54	72,798.54
01-Oct-2021	7.85%	36,876.00	35,922.46	72,798.46
01-Oct-2022	7.85%	39,770.00	33,027.70	72,797.70
01-Oct-2023	7.85%	42,892.00	29,905.75	72,797.75
01-Oct-2024	7.85%	46,259.00	26,538.73	72,797.73
01-Oct-2025	7.85%	49,891.00	22,907.40	72,798.40
01-Oct-2026	7.85%	53,807.00	18,990.96	72,797.96
01-Oct-2027	7.85%	58,031.00	14,767.11	72,798.11
01-Oct-2028	7.85%	62,586.00	10,211.67	72,797.67
01-Oct-2029	7.85%	67,499.00	5,298.67	72,797.67
		878,695.00	1,995,113.83	2,873,808.83

NUMBER

BR-1

[Form of Assignment]

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

_____

_____

_____

_____

_____

the within 2001 Series B Bond and does hereby irrevocably constitute and appoint _____ _____, Attorney to transfer the said 2001 Series B Bond on the books kept for registration of the within 2001 Series B Bond of the said City with full power of substitution in the premises.

Dated: _____.

_____

In the presence of:

_____

EXHIBIT B

SPECIMEN BOND

NUMBER

CR-1

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
COUNTY OF KANAWHA
THE CITY OF CHARLESTON
SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C

No. CR-1 $30,492

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF CHARLESTON, a municipal corporation of the State of West Virginia, in Kanawha County of said State (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority "), or registered assigns, the sum of Thirty Thousand Four Hundred Ninety-Two Dollars ($30,492), 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 installments continuing on October 1, as set forth on the "Schedule of Annual Debt Service" attached as Schedule A hereto and incorporated herein by reference, bearing no interest.

Principal installments of this 2001 Series C Bond are payable in any coin or currency which, on the respective dates of payment of principal, 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 Paying Agent.

This 2001 Series C 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.

This 2001 Series C Bond is issued to evidence the City's assumption of the Guthrie Public Service District's Sewer Revenue Bonds, Series 1990B issued in the aggregate principal amount of $41,005 (the "Series 1990 B Bonds"). This 2001 Series C

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 of the West Virginia Code of 1931, as amended (the "Act"), Ordinance No. 4828 enacted on April 20, 1992, as amended, Ordinance No. 6777 enacted by the City on the 2nd day of April, 2001, and a Supplemental Resolution adopted by the City on the 2nd day of April, 2001 (collectively called the "Ordinance"), and is subject to all the terms and conditions thereof. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the 2001 Series C Bonds under the Ordinance.

This 2001 Series C Bond ranks equally as to lien and security with the Second Lien Bonds, and junior and subordinate to the Sewerage System Revenue Bonds, 2001 Series B (the "2001 Series B Bonds") and the First Lien Bonds, all as defined in the Ordinance.

This 2001 Series C Bond is payable only from and secured by a pledge of a lien on the Net Revenues as defined in the Ordinance, to be derived from the operation of the System, moneys in the Reserve Account created under the Ordinance and unexpended proceeds of the 2001 Series C Bonds on parity with the Second Lien Bonds, but junior and subordinate to the 2001 Series B Bonds and the First Lien Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This 2001 Series C Bond does not constitute a corporate indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, nor shall the City be obligated to pay the same or the interest thereon except from said special fund provided from the Net Revenues, the moneys in the Reserve Account and unexpended 2001 Series C Bond proceeds. Pursuant to the Ordinance, the City has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to pay the maximum amount due in any ensuing fiscal year of principal of and interest on all obligations on a parity with or prior to the 2001 Series C Bonds, payable from such revenues, provided however, that so long as there exists in the Reserve Account an amount equal to the maximum amount of principal and interest which will become due on the 2001 Series C Bonds and any bonds on a parity therewith in any succeeding fiscal year and in each of the reserve accounts for the Prior Bonds, respectively, an amount equal to the requirement therefor, such percentage may be reduced to 110%. The City has entered into certain further covenants with the registered owners of the 2001 Series C Bonds for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the 2001 Series C Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

This 2001 Series C Bond is transferable, as provided in the Ordinance, only upon the books of Branch Banking and Trust Company, Charleston, West Virginia (the "Registrar"), kept for that purpose at the office of the Registrar, by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this 2001 Series C 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.

This 2001 Series C Bond, under the provision of the Act is, and has provided 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 2001 Series C Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the assumption of the Series 1990 B Bonds described in the Ordinance or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the owner of this 2001 Series C Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this 2001 Series C Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this 2001 Series C Bond, together with all other obligations of the City, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the City for the prompt payment of the principal of and interest on this 2001 Series C Bond.

All provisions of the Ordinance, resolutions and statutes under which this 2001 Series C Bond is issued shall be deemed to be a part of the contract evidenced by this 2001 Series C Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, THE CITY OF CHARLESTON has caused this 2001 Series C Bond to be signed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Clerk, and has caused this 2001 Series C Bond to be dated the 22nd day of May, 2001.

[SEAL]

Mayor SPECIMEN

ATTEST:

City Clerk SPECIMEN

NUMBER

CR-1

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This 2001 Series C Bond is one of the 2001 Series C Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the registered owner set forth above.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

SPECIMEN

By _____
Its Authorized Officer

Dated: May 22, 2001

SCHEDULE A

SCHEDULE OF ANNUAL DEBT SERVICE

Guthrie Public Service District
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 30-Mar-90

Date	Interest Free Loan
01-Oct-90	
01-Oct-91	1,051.42
01-Oct-92	1,051.41
01-Oct-93	1,051.41
01-Oct-94	1,051.41
01-Oct-95	1,051.41
01-Oct-96	1,051.41
01-Oct-97	1,051.41
01-Oct-98	1,051.41
01-Oct-99	1,051.41
01-Oct-2000	1,051.41
01-Oct-2001	1,051.41
01-Oct-2002	1,051.41
01-Oct-2003	1,051.41
01-Oct-2004	1,051.41
01-Oct-2005	1,051.41
01-Oct-2006	1,051.41
01-Oct-2007	1,051.41
01-Oct-2008	1,051.41
01-Oct-2009	1,051.41
01-Oct-2010	1,051.41
01-Oct-2011	1,051.41
01-Oct-2012	1,051.41
01-Oct-2013	1,051.41
01-Oct-2014	1,051.41
01-Oct-2015	1,051.41
01-Oct-2016	1,051.41
01-Oct-2017	1,051.41
01-Oct-2018	1,051.41
01-Oct-2019	1,051.41
01-Oct-2020	1,051.41
01-Oct-2021	1,051.41
01-Oct-2022	1,051.41
01-Oct-2023	1,051.41
01-Oct-2024	1,051.41
01-Oct-2025	1,051.41
01-Oct-2026	1,051.41
01-Oct-2027	1,051.41
01-Oct-2028	1,051.41
01-Oct-2029	1,051.41
	41,005.00

[Form of Assignment]

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

_____

_____

_____

_____

_____

the within 2001 Series C Bond and does hereby irrevocably constitute and appoint _____ _____, Attorney to transfer the said 2001 Series C Bond on the books kept for registration of the within 2001 Series C Bond of the said City with full power of substitution in the premises.

Dated: _____.

_____

In the presence of:

_____

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

CERTIFICATE OF CITY CLERK AS TO TRUTH
AND ACCURACY OF DOCUMENTS DELIVERED

I, the undersigned James M. Reishman, the duly elected Clerk of The City of Charleston, West Virginia (the "City"), hereby certify that the copies of the following documents being delivered in connection with the closing of the sale of the $823,741 The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series B and $30,492 The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series C (collectively, the "2001 Bonds"), are, as of the date hereof, true and accurate copies of the originals of those documents maintained on file with the City and delivered in the transcript of proceedings, and that said documents are still in full force and effect as of the date hereof and have not been repealed, rescinded, superseded, amended or modified in any way unless the document effecting such repeal, rescission, supersedence, amendment or modification is also listed below:

1. Charter of the City.

2. Oaths of Office of the Mayor, City Clerk, and members of Council.

3. Sewerage System Bond Ordinance No. 6777.

4. Minutes of Council meeting held March 5, 2001, regarding first reading of the Ordinance.

5. (A) Minutes of meeting held by Council on March 19, 2001, regarding second reading and adoption of the Ordinance, which included abstract and notice of public hearing and (B) minutes of meeting held by Council on April 2, 2001, regarding the public hearing.

6. Resolution No. 723-01 adopted by Council on April 2, 2001, placing the Ordinance into effect and authorizing the above-referenced Bonds (the "Supplemental Resolution") and Minutes of April 2, 2001 Council meeting.

7. Copy of the Commission Order in Case No. 00-0152-PSD-PC, dated January 2, 2001, approving the merger of Guthrie Public Service District into the City, approving the assumption of debt and approving the rates.

8. Merger Agreement between the Sanitary Board of the City of Charleston and Guthrie Public Service District.

9. Escrow Agreement among the City, The County Commission of Kanawha County and Branch Banking and Trust Company, as escrow agent, dated May 22, 2001.

WITNESS my signature and the official seal of The City of Charleston, West Virginia as of the 22nd day of May, 2001.

City Clerk
The City of Charleston, West Virginia

(SEAL)

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

CERTIFICATE AS TO NON-ARBITRAGE

I, Jay Goldman, Mayor of The City of Charleston, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $823,741 aggregate principal amount of Sewerage System Revenue Bonds, 2001 Series B, of The City of Charleston, West Virginia, dated May 22, 2001 (the "2001 B Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, and applicable regulations (the "Code"). I am one of the officers of the Issuer charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and am duly authorized to execute and deliver this certificate on behalf of the Issuer.

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

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

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on May 22, 2001, the date on which the Bonds are to be physically delivered in exchange for the issue price thereof, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. In the Sewerage System Bond Ordinance (the "Ordinance") pursuant to which the Bonds are issued, the Issuer has covenanted to make no use of the proceeds of the Bonds which would cause the Bonds to be "arbitrage bonds" within the meaning of the Code.

6. The Bonds were assumed by merger by the Issuer approved by the West Virginia Public Service Commission by Order dated January 2, 2001, in Case No. 00-0152-PSD-PC.

7. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of evidencing the assumption of the District's Sewer Revenue Bonds, Series 1990 A (the "District Bonds").

8. Pursuant to Section 4.01 of the Ordinance, a sinking fund and a reserve account with respect to the 2001 B Bonds have been created at the Commission.

9. Moneys held in the Sinking Fund will be used solely to pay principal of and interest on the 2001 B Bonds as the same shall become due. Moneys in the Reserve Account in the Sinking Fund shall be used only for the purpose of paying principal of and interest on the 2001 B Bonds, as the same shall become due, when other moneys in the Sinking Fund are insufficient therefor, and for no other purpose. All investment earnings on moneys in the Sinking Fund and Reserve Account shall be transferred, not less than once each year to the Revenue Fund, continued by the Ordinance.

10. Except for the Sinking Fund and the Reserve Account, there are no other funds or accounts established or held by the Issuer which are reasonably expected to be used to pay debt service on the 2001 B Bonds, or which are pledged as collateral for the 2001 B Bonds, and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the 2001 B Bonds, if the Issuer encounters financial difficulties. The Issuer does not expect that moneys in the Renewal and Replacement Fund will be used or needed for payments upon the 2001 B Bonds. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts or other investment-type property producing a yield in excess of the yield on the 2001 B Bonds, have been or will be pledged to payment of the 2001 B Bonds. The reserve account is fully funded and the amount will not exceed 125% of average annual principal and interest on the Bonds. The establishment of the Reserve Account is required by the Authority, is vital to the assumption of the District Bonds by the 2001 B Bonds and is reasonably required to assure payments of debt service on the 2001 B Bonds. The establishment of the Sinking Fund is required by the Authority and the West Virginia Division of Environmental Protection, is vital to the assumption of the District Bonds of the 2001 B Bonds and is reasonably required to assure payments of debt service on the 2001 B Bonds.

11. The Series 2001 B Bonds are being issued to evidence the City's assumption of the District Bonds. Therefore, no bond proceeds will be received. The reserve funds for the District's 1990 A Bonds, will be transferred to the 2001 B Bonds reserve accounts established by the Ordinance as part of the merger, which Reserve Accounts will be fully funded as of the date hereof.

12. The City and the District signed an agreement dated April 15, 1999, concerning the proposed merger providing that the City will take possession of all the property and assets of the District, the City will assume all of the legal and financial obligations of the District and the customers served by the District will become customers to be served by the City.

13. Any money deposited in the Sinking Fund for payment of the principal and interest on the Bonds (other than the Reserve Account therein) will be spent within a 13-month period beginning on the date of receipt and any moneys received from the investment of amounts held in the Sinking Fund (other than in the Reserve Account therein) will be spent within a 1-year period beginning the date of receipt).

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

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

16. 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 2001 B Bonds from treatment afforded by Section 103(a) of the Code by reason of classification of the 2001 B Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions and refrain from taking such actions as shall be necessary to comply with the Code in order to ensure the interest on the 2001 B Bonds is excludable from gross income for Federal income tax purposes.

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

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

19. The Issuer has retained the right to amend or supplement its authorizing documents if such amendment or supplement is necessary to preserve the exclusion of the interest on the 2001 B Bonds from gross income for Federal Income Tax purposes.

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

21. Moneys in the Reserve Account and the Sinking Fund (established for the annual payment of principal and interest) will be used solely to pay principal of and interest on the Bonds and will not be available to pay costs of the Project.

22. The Issuer shall continue to submit to the Authority within thirty (30) days following the end of the Issuer's bond year a certified copy of its rebate calculation or if the Issuer qualifies for the small governmental issuer exception to rebate, then the Issuer

shall submit to the Authority 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 2001 B Bonds subject to rebate.

23. The Issuer expects that no part of the System will be sold or otherwise disposed of prior to the last maturity date of the Bonds.

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

25. Jackson & Kelly PLLC is entitled to rely upon the representations, expectations, covenants, certifications and statements contained herein in rendering its opinions regarding the tax-exempt status of interest on the 2001 B Bonds.

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

IN WITNESS WHEREOF, I have set my hand this 22nd day of May, 2001.

THE CITY OF CHARLESTON, WEST VIRGINIA

By: _____
Its: Mayor

G T
& W P

GRIGORACI, TRAINER, WRIGHT & PATERNO

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

(A PARTNERSHIP OF ACCOUNTING CORPORATIONS)

608 TENNESSEE AVENUE
P. O. BOX 1191
CHARLESTON, WV 25324
(304) 343-5511
FAX: (304) 343-5514

May 21, 2001

Sanitary Board of The City of Charleston
City Building
Charleston, West Virginia

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

Jackson & Kelly, PLLC
P. O. Box 553
Charleston, West Virginia 25322

RE: The City of Charleston, West Virginia
$823,741 Sewerage System Revenue Bonds, 2001 Series B
$ 30,492 Sewerage System Revenue Bonds, 2001 Series C
(Guthrie Public Service District)

Gentlemen:

We have been asked to determine if the Sanitary Board of The City of Charleston has achieved or will achieve sufficient coverage of its existing and proposed debt service prior to the issuance of additional parity bonds.

The City of Charleston currently has outstanding the $1,912,194 Sewer Revenue Bonds, Series 1989 (the "1989 Bonds"), the $829,856 Sewer Revenue Bonds, Series 1989B (the "1989B Bonds"), the $2,955,000 Sewerage System Refunding Revenue Bonds, Series 1992A (the "1992A Bonds"), the $6,670,000 Sewerage System Refunding and Improvement Revenue Bonds, Series 1992B (the "1992B Bonds"), the $773,237 Sewerage System Revenue Bonds, 1993 Series A (the "1993A Bonds"), the $2,671,058 Sewerage System Revenue Bonds, Series 1996 A (the "1996A Bonds"), the $395,299 The City of Charleston Sewerage System Revenue Bonds, Series 1996 B (the "1996B Bonds"), the $732,688 Sewerage System Revenue Bonds, Series 1997 A (the "1997A Bonds"), the $5,237,584 Sewerage System Revenue Bonds, Series

1997 B (the "1997B Bonds"), the $994,537 Sewerage System Revenue Bonds, 1998 Series A (the "1998A Bonds"), the $686,229 Sewerage System Revenue Bonds, 1999 Series A (the "1999A Bonds"), the $1,111,357 Sewerage System Revenue Bonds, 2001 Series A (the "2001A Bonds", and collectively with the above-referenced bonds, the "First Lien Bonds"). The City intends to issue $823,741 in Sewerage System Revenue Bonds, 2001 Series B (the "2001B Bonds") on May 22, 2001 on a parity with the First Lien Bonds and senior to the Second Lien Bonds and the 2001C Bonds, hereinafter defined.

The City of Charleston currently has outstanding the $283,458 Supplemental Sewer Revenue Bonds, Series 1989 (the "Supplemental 1989 Bonds"), the $283,458 Supplemental Sewer Revenue Bonds, Series 1989B (the "Supplemental 1989B Bonds"), the $123,015 Supplemental Sewer Revenue Bonds, Series 1989D (the "Supplemental 1989D Bonds"), and the $132,072 Sewerage System Revenue Bonds, 1999 Series B (the "Supplemental 1999B Bonds," and collectively with the above-referenced Bonds, the "Second Lien Bonds"). The City intends to issue $30,492 Sewerage System Revenue Bonds, 2001 Series C (the "2001C Bonds") on a parity with the Second Lien Bonds and subordinate and junior to the First Lien Bonds and the 2001B Bonds.

It is our opinion that the Net Revenues actually derived from the System during twelve (12) consecutive months, within the eighteen (18) months immediately preceding the date of the actual issuance of the Bonds, plus the estimated average annual Net Revenues to be received in each of the three succeeding years after the completion of the Project being financed by the Bonds, are not less than 115% of the maximum annual amount that will mature and become due in any succeeding fiscal year for the principal of and interest on the Bonds and the Prior Bonds.

Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Bond Ordinance.

Very truly yours,

Grigoriu, Trainer, Wright & Paterno

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 22nd day of May, 2001, by and between THE CITY OF CHARLESTON, WEST VIRGINIA, a municipal corporation (the "Governmental Agency"), and BRANCH BANKING AND TRUST COMPANY, Charleston, West Virginia (the "Registrar").

WHEREAS, the Governmental Agency has, contemporaneously with the execution hereof, issued and sold its $823,741 The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series B, in the form of one bond, numbered BR-1, and its $30,492 The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series C, in the form of one bond, numbered CR-1, in fully registered form pursuant to an Ordinance duly passed March 19, 2001, effective April 2, 2001 and the Supplemental Resolution adopted April 2, 2001 relating to the Bonds (collectively, the "Ordinance");

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 Ordinance, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Ordinance provides for an appointment by the Governmental Agency of a Registrar for the Bonds; and

WHEREAS, the Governmental Agency desires to appoint, and by the Ordinance and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Ordinance 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 Governmental Agency 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 Ordinance, 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 exclusion of interest on the Primary Bonds from gross income for federal income tax purposes, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal

Securities Rulemaking Board or similar regulatory bodies as the Governmental Agency advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Governmental Agency with appropriate records of all transactions carried out by it as Registrar and to furnish the Governmental Agency 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 Governmental Agency 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 Governmental Agency.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Governmental Agency hereby agrees to pay to the Registrar, from time to time, the compensation for services rendered as provided in the annexed schedule and reimbursement for reasonable expenses incurred in connection with this Registrar's Agreement.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Ordinance with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Ordinance, the terms of the Ordinance shall govern.

6. The Governmental Agency 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 Ordinance 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 address:

GOVERNMENTAL AGENCY:

The City of Charleston
City Hall
P. O. Box 2749
Charleston, WV 25330
Attention: Mayor

REGISTRAR:

Branch Banking & Trust Company
P. O. Box 1793
Charleston, West Virginia 25326
Attention: One Financial Place

The Governmental Agency and the Registrar shall notify the other in writing of any change of address.

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Ordinance.

IN WITNESS WHEREOF, THE CITY OF CHARLESTON, WEST VIRGINIA and BRANCH BANKING AND TRUST COMPANY, have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

THE CITY OF CHARLESTON, WEST VIRGINIA

By: _____
Its: Mayor

BRANCH BANKING AND TRUST COMPANY

By: _____
Its: Authorized Officer

EXHIBIT A

See Bond Ordinance (Tab No. 4)

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

REQUEST AND AUTHORIZATION AS TO AUTHENTICATION
AND DELIVERY OF THE BONDS

May 22, 2001

Branch Banking and Trust Company
P. O. Box 1793
Charleston, West Virginia 25326

Ladies and Gentlemen:

We herewith hand to you, duly executed, $823,741 The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series B, in the form of one bond numbered BR-1 and $30,492 The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series C, in the form of one bond, numbered CR-1 (collectively, the "2001 Bonds") of The City of Charleston, West Virginia (the "City"), authorized to be issued under and pursuant to the Sewerage System Bond Ordinance, duly passed by the Council of the City on March 19, 2001, effective April 2, 2001 and the Supplemental Resolution adopted April 2, 2001 relating to the Bonds.

You are hereby requested and authorized to register, authenticate and deliver the Bonds on behalf of the City to the West Virginia Water Development Authority.

THE CITY OF CHARLESTON, WEST VIRGINIA

By: _____
Its: Mayor

(SEAL)

Attest:

_____
City Clerk

C0304670.1

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

CERTIFICATE OF REGISTRATION OF BONDS

The undersigned authorized officer of Branch Banking and Trust Company, Charleston, West Virginia, as Registrar (the "Registrar"), hereby certifies that on the 22nd day of May, 2001, the bonds of The City of Charleston, West Virginia in the aggregate principal amount of $823,741 designated the "The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series B" and numbered BR-1, and the $30,492 "The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series C" and numbered CR-1 dated as of the date hereof, were registered as to principal and interest in the name of "West Virginia Water Development Authority" in the books of the City kept for that purpose at our office, by a duly authorized officer on behalf of Branch Banking and Trust Company, Charleston, West Virginia, as Registrar.

WITNESS my signature as of the 22nd day of May, 2001.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

By _____
Its: Authorized Officer

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

RECEIPT FOR BONDS

The undersigned, Barbara B. Meadows, Secretary-Treasurer of the West Virginia Water Development Authority, for and on behalf of the West Virginia Water Development Authority (the "Authority"), hereby certifies as follows:

1. On the 22nd day of May, 2001, in Charleston, West Virginia, the Authority received the entire original issue of $823,741 in aggregate principal amount of The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series B (the "Bonds"), said Bond being dated the 22nd day of May, 2001; and issued in the form of one bond, fully registered to the Authority, and numbered BR-1.

2. On the 22nd day of May, 2001, in Charleston, West Virginia, the Authority received the entire original issue of $30,492 in aggregate principal amount of The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series C (the "Bonds"), said Bond being dated the 22nd day of May, 2001; and issued in the form of one bond, fully registered to the Authority, and numbered CR-1.

3. At the time of receipt of such Bonds, it had been executed by Jay Goldman, as Mayor of The City of Charleston, by manual signature, and attested by James M. Reishman as Clerk of The City of Charleston, by manual signature, and the official seal of said City had been impressed upon each Bond.

IN WITNESS WHEREOF, Barbara B. Meadows duly signed and delivered this receipt on behalf of the West Virginia Water Development Authority on the 22nd day of May, 2001.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

By Barbara B. Meadows
Its: Secretary-Treasurer

Form **8038-G** (Rev. November 2000) Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority — If Amended Return, check here ▶ ☐

1 Issuer's name: The City of Charleston

2 Issuer's employer identification number: 55 6000160

3 Number and street (or P.O. box if mail is not delivered to street address): City Hall, Court and Virginia Streets — Room/suite

4 Report number: 3 2001- 3

5 City, town, or post office, state, and ZIP code: Charleston, West Virginia 25301

6 Date of issue: May 22, 2001

7 Name of issue: The City of Charleston, West Virginia $823,741 Sewerage System Revenue Bonds, 2001 Series B (Guthrie PSD)

8 CUSIP number: N/A

9 Name and title of officer or legal representative whom the IRS may call for more information: Samme L. Gee, Esquire

10 Telephone number of officer or legal representative: (304) 340-1318

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

11	☐ Education	11	
12	☐ Health and hospital	12	
13	☐ Transportation	13	
14	☐ Public safety	14	
15	☒ Environment (including sewage bonds)	15	$ 878,695
16	☐ Housing	16	
17	☐ Utilities	17	
18	☐ Other. Describe ▶	18	

19 If obligations are TANs or RANs, check box ▶ ☐ If obligations are BANs, check box ▶ ☐

20 If obligations are in the form of a lease or installment sale, check box ▶ ☐

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	10/1/2029	$ 67,499	$ 878,695	28.92 years	%

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

22	Proceeds used for accrued interest			22	-0-
23	Issue price of entire issue (enter amount from line 21, column (b))			23	878,695
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	4,283		
25	Proceeds used for credit enhancement	25	-0-		
26	Proceeds allocated to reasonably required reserve or replacement fund	26	-0-		
27	Proceeds used to currently refund prior issues	27	-0-		
28	Proceeds used to advance refund prior issues	28	-0-		
29	Total (add lines 24 through 28)			29	4,283
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	874,412

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

31 Enter the remaining weighted average maturity of the bonds to be currently refunded ▶ N/A years

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

33 Enter the last date on which the refunded bonds will be called ▶

34 Enter the date(s) the refunded bonds were issued ▶

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	-0-
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	-0-
b	Enter the final maturity date of the guaranteed investment contract ▶		
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	-0-

b If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☒ and enter the name of the issuer ▶ West Virginia Water Development Authority and the date of the issue ▶ December 27, 1989

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

39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

40 If the issuer has identified a hedge, check box ▶ ☐

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

▶ Signature of issuer's authorized representative — Date: 5/22/01 ▶ Jay Goldman, Mayor — Type or print name and title

For Paperwork Reduction Act Notice, see page 2 of the Instructions. Cat. No. 63773S Form **8038-G** (Rev. 11-2000)

The City of Charleston assumed Guthrie Public Service District Sewer Revenue Bonds, Series 1990, as listed on the attached 8038-G, through merger on May 22, 2001. The above information is

STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

TELECOPIER (304) 624-8183

CHARLES W. TEAGER
CARL F. STUCKY, JR.
HERBERT G. UNDERWOOD
JACKSON L. ANDERSON
OTIS L. O'CONNOR
ROBERT G. STEELE
J. LEE VAN METRE, JR.
JAMES M. WILSON
PATRICK D. DEEN
ROBERT M. STEPTOE, JR.
ANNE R. WILLIAMS
JAMES R. WATSON
JAMES D. GRAY
DOUGLAS S. ROCKWELL
VINCENT A. COLLINS
JAMES A. RUSSELL
LUCIEN G. LEWIN
WILLIAM T. BELCHER
MICHAEL L. BRAY
JAMES D. STEPTOE
DAVID C. CLOVIS
DANIEL R. SCHUDA
J. GREG GOODYKOONTZ
IRENE M. KEELEY
EVANS L. KING, JR.
WALTER L. WILLIAMS
SUSAN S. BREWER
SPRAGUE W. HAZARD
HERSCHEL H. ROSE III
DAVID LATVA
GRAY SILVER III
RONALD H. HANLAN
C. DAVID MORRISON
HARRY P. WADDELL
CLEMENT D. CARTER III
W. HENRY LAWRENCE IV
J. ROBERT GWYNNE
WILLIAM E. GALEOTA
CHRISTOPHER P. BASTIEN
GORDON H. COPLAND
RANDALL C. LIGHT
STEVEN P. MCGOWAN

CHARLESTON OFFICE
715 CHARLESTON NATIONAL PLAZA
P. O. BOX 1588
CHARLESTON, W. VA. 25326
(304) 342-2191
TELECOPIER (304) 342-0726

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

MARTINSBURG OFFICE
126 EAST BURKE STREET
MARTINSBURG, W. VA. 25401
(304) 263-6991
TELECOPIER (304) 263-4785

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

RICHARD M. TURKO, JR.
GARY W. N. CHERSON
CURTIS D. POWER
STEPHEN R. KERSHNER
R. RANDOLPH FIFE
MARTIN R. SMITH, JR.
LOUIS E. ENDERLE, JR.
ROBERT J. SCHIAVON
JOHN A. DORSEY
WALTER WASHINGTON
JOSEPH R. FERRETT
MARK E. KINLEY
MARCIA J. POLLARD
BRYAN R. CORLEY
PATRICK D. KELLY
FRANCESCA TAN
CHRISTINE S. VAGLIENTI
WILLIAM P. YOUNG
DAVID M. HAMMER
WILLIAM F. ROHRBAUGH
CAROLINE J. STAFFORD
MATTHEW J. MULLANEY
BRENT O. BURTON
PAUL R. CRANSTON
JONATHAN P. JESTER
GRACE J. WIGAL
GINA M. HOUSEHOLDER
MICHAEL KOZAKEWICH, JR.
CYNTHIA R. TRIBBLE

OF COUNSEL
RALPH BONANNON
ROGER J. PERRY

WRITER'S DIRECT DIAL NUMBER

May 2, 1990

Guthrie Public Service District
Sewer Revenue Bonds

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Internal Revenue Service
Internal Revenue Service Center
Philadelphia, Pennsylvania 19255

Ladies and Gentlemen:

Enclosed herewith is a completed and executed Internal Revenue Service Form 8038-G and a file copy thereof with regard to the above-captioned bond issue. Please file the original form in the appropriate Internal Revenue Service records and return the copy marked in red as the "File Copy" to me (after acknowledging receipt of the same) in the enclosed self-addressed, stamped envelope. Thank you for your attention to this matter.

Very truly yours,

Walter L. Williams

Walter L. Williams

Enclosure
Copy of letter with enclosure to:
Samme L. Gee, Esquire
H. Wyatt Hanna, III, Esquire
03/28/90
GUTJ.N2
36733/89001

Form **8038-G** (Rev. October 1989) Department of the Treasury Internal Revenue Service

Inform on Return for Tax-Exempt Gover ental Obligations

▶ Under Section 149(e)
▶ See separate instructions
(Use Form 8038-GC if the issue price is under $100,000)

OMB No. 1545-0720
Expires 5-31-92

Part I Reporting Authority — Check box if Amended Return ▶

1 Issuer's name: Guthrie Public Service District
2 Issuer's employer identification number: 55-0635260
3 Number and street: P. O. Box 10116
4 Report number: G1990 - 1
5 City or town, state, and ZIP code: Charleston, West Virginia 25357
6 Date of issue: March 30, 1990
7 Name of issue: Guthrie Public Service District Sewer Revenue Bonds, Series 1990 A
8 CUSIP Number: N/A

Part II Type of Issue (check box(es) that applies and enter the Issue Price)

		Issue price
9	Check box if obligations are tax or other revenue anticipation bonds ▶ ☐	
10	Check box if obligations are in the form of a lease or installment sale ▶ ☐	
11	☐ Education	$
12	☐ Health and hospital	
13	☐ Transportation	
14	☐ Public safety	
15	☒ Environment (including sewage bonds)	$878,695
16	☐ Housing	
17	☐ Utilities	
18	☐ Other. Describe (see instructions) ▶ SEE STATEMENT 1	

Part III Description of Obligations

	(a) Maturity date	(b) Interest rate	(c) Issue price	(d) Stated redemption price at maturity	(e) Weighted average maturity	(f) Yield	(g) Net interest cost
19 Final maturity	10/1/2029	7.85 %	$ 67,499	$ 67,499			
20 Entire issue			$878,695	$878,695	28.92 years	%	7.85 %

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

21	Proceeds used for accrued interest	21	-0-
22	Issue price of entire issue (enter line 20c)	22	$878,695
23	Proceeds used for bond issuance costs (including underwriters' discount)	23	$4,283
24	Proceeds used for credit enhancement	24	-0-
25	Proceeds allocated to reasonably required reserve or replacement fund	25	-0-
26	Proceeds used to refund prior issues	26	-0-
27	Total (add lines 23, 24, 25, and 26)	27	$4,283
28	Nonrefunding proceeds of the issue (subtract line 27 from line 22 and enter amount here)	28	$874,412

Part V Description of Refunded Bonds (complete this part only for refunding bonds) N/A

29 Enter the remaining weighted average maturity of the bonds to be refunded ▶ _____ years
30 Enter the last date on which the refunded bonds will be called ▶ _____
31 Enter the date(s) the refunded bonds were issued ▶ _____

Part VI Miscellaneous

32 Enter the amount of the state volume cap allocated to the issue ▶ -0-
33 Enter the amount of the bonds designated by the issuer under section 265(b)(3)(B)(i)(III) (small issuer exception) ▶ -0-
34 Pooled financings:
a Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units ▶ -0-
b Check box if this issue is a loan made from the proceeds of another tax-exempt issue ▶ ☒ and enter the name of the issuer ▶ West Virginia Water Development Authority and the date of the issue ▶ December 27, 1989

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Please Sign Here

Eick L. Hayes — Signature of officer
March 30, 1990 — Date
Chairman — Type or print name and title

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Form **8038-G** (Rev 10-89)
U.S. Government Printing Office: 1989-262-151/00019

STATEMENT 1

The Issuer concurrently issued supplemental sewage bonds which bear no interest with an issue price of $41,005, which are junior and subordinate to the bonds set forth on the Form 8038-G to which this statement is attached, but which, for purposes of this form, may be aggregated therewith. Such supplemental sewage bonds are named Guthrie Public Service District Sewer Revenue Bonds, Series 1990 B, have no Cusip Number and finally mature on October 1, 2029, with a final maturity issue price and stated redemption price at maturity of $1,051.41. The entire issue of such supplemental sewage bonds has an issue price and stated redemption price at maturity of $41,005, with a weighted average maturity of 20.50 years. $200.00 of the original proceeds of such supplemental sewage bonds will be used for bond issuance costs and the balance will be nonrefunding proceeds of the issue. No portion of the state volume cap will be allocated to such issue, and no amount of the supplemental sewage bonds has been designated by the Issuer under Section 265(b)(3)(B)(i)(III). None of the proceeds of such issue will be used to make loans to other governmental units and none of the issue is a loan made from the proceeds of another tax-exempt issue.

SENDER: Complete items 1 and 2 [illegible] additional services are desired, and complete items [illegible] and 4.

Put your address in the "RETURN TO" [illegible] on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for [illegible] requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge)
2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: INTERNAL REVENUE SERVICE INTERNAL REVENUE SERVICE CENTER PHILADELPHIA, PA 19255	4. Article Number P 712 869 379
	Type of Service: ☐ Registered ☐ Insured ☒ Certified ☐ COD ☐ Express Mail
	Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X	
7. Date of Delivery	

RECEIVED MAY 2 [illegible] 25 PSC PHILA, PA

PS Form 3811, Mar. 1987 ★ U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIP

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

U.S. MAIL

PENALTY FOR PRIVA[illegible] USE, $300

RETURN TO

Print Sender's name, address, and ZIP Code in the space below.

WALTER L Williams, Esq.
Steptoe & Johnson

P. O. Box 2190

Clarksburg, West Virginia 26302-2190

(Guthrie)

24A

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

NEW ISSUE REPORT FORM
Date of Report: May 22, 2001

ISSUE: $823,741 The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series B (Guthrie Public Service District Assumption)

ADDRESS: City Hall, Charleston, WV 25330 COUNTY: Kanawha
PURPOSE OF ISSUE: New Money _____ Other: Assumption of Bonds
Refunding _____ Refunds issue(s) dated: _____

ISSUE DATE: May 22, 2001 CLOSING DATE: May 22, 2001
ISSUE AMOUNT: $823,741 RATE: 7.850%
1st DEBT SERVICE DUE: see debt service attached 1st PRINCIPAL DUE: see debt service attached
1st DEBT SERVICE AMOUNT: continuing PAYING AGENT: WV Municipal Bond Commission

ISSUERS
BOND COUNSEL: Jackson & Kelly PLLC
Contact Person: Samme L. Gee, Esquire
Phone: (304) 340-1318

UNDERWRITERS
BOND COUNSEL: N/A
Contact Person: _____
Phone: _____

(DEPOSITORY)
CLOSING BANK: Branch Banking & Trust Company
Contact Person: Charlotte Morgan
Phone: 348-7239

ESCROW TRUSTEE: N/A
Contact Person : _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT:
Contact Person: Bill Collison
Position: Finance Director
Phone: (304) 348-8134

OTHER: _____
Contact Person: _____
Function: _____
Phone: _____

DEPOSITS TO MBC AT CLOSE:
By _____ Wire
_____ Check(s)

_____ Accrued Interest: $_____
_____ Capitalized Interest: $_____
_____ Reserve Account: $_____
_____ Other: _____ $_____

REFUNDS & TRANSFERS BY MBC AT CLOSE:
By _____ Wire
_____ Check
_____ Transfer

_____ To Escrow Trustee: $_____
_____ To Issuer: $_____
_____ To Cons.Invest.Fund $_____
_____ To Other: _____ $_____

NOTES: Please change the name of the Guthrie PSD Sewer Revenue Bonds, Series 1990 A Reserve Fund and Revenue Fund to The City of Charleston, 2001 Series B Reserve Fund and Revenue Fund.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: _____
Transfers Required: _____

C0304674.1

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

NEW ISSUE REPORT FORM
Date of Report: May 22, 2001

ISSUE: $30,492 The City of Charleston, West Virginia Sewerage System Revenue Bonds, 2001 Series C (Guthrie Public Service District Assumption)

ADDRESS: City Hall, Charleston, WV 25330 COUNTY: Kanawha
PURPOSE OF ISSUE: New Money _____ Other: Assumption of Bonds
Refunding _____ Refunds issue(s) dated: _____

ISSUE DATE: May 22, 2001 CLOSING DATE: May 22, 2001
ISSUE AMOUNT: $30,492 RATE: 0%
1st DEBT SERVICE DUE: see debt service attached 1st PRINCIPAL DUE: see debt service attached
1st DEBT SERVICE AMOUNT: continuing PAYING AGENT: WV Municipal Bond Commission

ISSUERS
BOND COUNSEL: Jackson & Kelly PLLC
Contact Person: Samme L. Gee, Esquire
Phone: (304) 340-1318

UNDERWRITERS
BOND COUNSEL: N/A
Contact Person: _____
Phone: _____

(DEPOSITORY)
CLOSING BANK: Branch Banking & Trust Company
Contact Person: Charlotte Morgan
Phone: 348-7239

ESCROW TRUSTEE: N/A
Contact Person : _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT:
Contact Person: Bill Collison
Position: Finance Director
Phone: (304) 348-8134

OTHER: _____
Contact Person: _____
Function: _____
Phone: _____

DEPOSITS TO MBC AT CLOSE:
By _____ Wire
_____ Check(s)

_____ Accrued Interest: $_____
_____ Capitalized Interest: $_____
_____ Reserve Account: $_____
_____ Other: _____ $_____

REFUNDS & TRANSFERS BY MBC AT CLOSE:
By _____ Wire
_____ Check
_____ Transfer

_____ To Escrow Trustee: $_____
_____ To Issuer: $_____
_____ To Cons.Invest.Fund $_____
_____ To Other: _____ $_____

NOTES: Please change the name of the Guthrie PSD Sewer Revenue Bonds, Series 1990 B Reserve Fund and Revenue Fund to The City of Charleston, 2001 Series C Reserve Fund and Revenue Fund.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: _____
Transfers Required: _____

C0304674.1

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

CONSENT OF THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

I, Daniel B. Yonkosky, Director of the West Virginia Water Development Authority (the "WDA"), registered owner of the entire outstanding aggregate principal amount of the WDA Bonds, hereinafter defined and described, in reliance on the parity test certification of Grigoraci, Trainer, Wright & Paterno, CPAs, hereby consent to the issuance of The City of Charleston, West Virginia (the "Issuer") Sewerage System Revenue Bonds, 2001 Series B (the "2001 B Bonds"), in the original aggregate principal amount of $823,741, 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 $1,912,194 Sewer Revenue Bonds, Series 1989 (the "1989 Bonds"), the $829,856 Sewer Revenue Bonds, Series 1989B (the "1989B Bonds"), the $773,237 Sewerage System Revenue Bonds, 1993 Series A (the "1993A Bonds"), the $2,671,058 Sewerage System Revenue Bonds, Series 1996 A (the "1996A Bonds"), the $395,299 The City of Charleston Sewerage System Revenue Bonds, Series 1996 B (the "1996B Bonds"), the $732,688 Sewerage System Revenue Bonds, Series 1997 A (the "1997A Bonds"), the $5,237,584 Sewerage System Revenue Bonds, Series 1997 B (the "1997B Bonds"), the $994,537 Sewerage System Revenue Bonds, 1998 Series A (the "1998A Bonds"), the $686,299 Sewerage System Revenue Bonds, 1999 Series A (the "1999A Bonds"), and the $1,111,357 Sewerage System Revenue Bonds, Series 2001 A (the "2001A Bonds", and collectively with the above-referenced bonds, the "First Lien Bonds"), and also hereby consents to the issuance of Issuer's Sewerage System Revenue Bonds, 2001 Series C (the "2001 C Bonds"), in the original aggregate principal amount of $30,492, on parity, with respect to liens, pledge and source of and security for payment to the Issuer's outstanding $283,458 Supplemental Sewer Revenue Bonds, Series 1989 (the "Supplemental 1989 Bonds"), the $123,015 Supplemental Sewer Revenue Bonds, Series 1989B (the "Supplemental 1989B Bonds"), and the $132,072 Sewerage System Revenue Bonds, 1999 Series B (the "1999B Bonds", and collectively with the above-referenced Bonds, the "Second Lien Bonds"), which Second Lien Bonds are subordinate and junior to the First Lien Bonds and the 2001 B Bonds.

WITNESS my signature this 22nd day of May, 2001.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: Daniel B. Yonkosky
Daniel B. Yonkosky, Director

THE CITY OF CHARLESTON, WEST VIRGINIA
$823,741 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES B
$30,492 SEWERAGE SYSTEM REVENUE BONDS, 2001 SERIES C
(GUTHRIE PUBLIC SERVICE DISTRICT)

CITY'S CERTIFICATE WITH RESPECT TO PARITY BONDS

Pursuant to requirements of Section 6.08 of the Prior Ordinances, the undersigned Mayor and Clerk of The City of Charleston, West Virginia (the "Issuer") hereby certify:

1. The City of Charleston Sewerage System Revenue Bonds, 2001 Series B and The City of Charleston Sewerage System Revenue Bonds, 2001 Series C (the "Bonds") are being issued to evidence the Issuer's assumption of Guthrie Public Service District outstanding Bonds (the "District Bonds").

2. The City has received the Certificate of an Independent Accountant with respect to additional parity bonds as required by Section 6.08 and by the West Virginia Water Development Authority for approval of the merger.

3. The City has funded the Reserve Fund for the Bonds simultaneously with the issuance of the Bonds by the transfer of the existing reserve funds for the District Bonds to the 2001 Bonds.

WITNESS our signatures as of this 22nd day of May, 2001.

THE CITY OF CHARLESTON, WEST VIRGINIA

By: _____
Its: Mayor

[SEAL]

_____
Its: Clerk

THIS DEED, Made this 22nd day of May, 2001, by and between the GUTHRIE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, and the CITY OF CHARLESTON, a West Virginia municipal corporation, party of the second part.

WITNESSETH:

That for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid and other good and valuable consideration, paid by the party of the second part to the party of the first part, the receipt and sufficiency of which are hereby acknowledged, the party of the first part does hereby GRANT, CONVEY and ASSIGN unto the party of the second part all of its right, title and interest in and to all tract or parcels of real estate owned by it, together with the improvements thereon and the appurtenances thereunto belonging, situate and being in Union District, Kanawha County, West Virginia, and all of its right, title and interest in and to all of the rights of way and easements, whether acquired by grant, assignment or otherwise, situate and being in Union District, Kanawha County, West Virginia.

The real estate described herein was obtained or improved with federal financial assistance and is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973 and other similarly worded federal statutes, and the regulations issued pursuant thereto that prohibit discrimination on the basis of race, color, national origin, handicap, religion, age or sex in programs or activities receiving federal financial assistance. Such provisions apply for as long as the real estate continues to be used for the same or similar purposes for which the federal assistance was extended or for so long as the purchaser owns it, whichever is later.

The party of the first part does hereby covenant that it has good and lawful power to convey the property herein conveyed, that will WARRANT GENERALLY the title to the property hereby conveyed, that the same is free and clear of all liens and encumbrances, and that it will execute such further assurances of

Recorded In DEED BK 2526 PG 193, 05/22/2001 02:15:03 PM Deed Tax 0.00, Recording Fee 4.50, TOTAL 4.50
Alma Y. King, County Clerk, Kanawha County, WV

title as shall be required by the party of the second part, its grantees, successors or assigns.

The undersigned does hereby state that the real estate transferred by this instrument is not subject to the West Virginia excise tax upon the privilege of transferring real estate for the reason that this is a transfer from a political subdivision of the State of West Virginia, as defined by Chapter 16, Article 13A, Section 3 of the Code of West Virginia of 1931, as amended.

IN WITNESS WHEREOF, the Guthrie Public Service District, a public corporation and political subdivision of the State of West Virginia, has caused its name to be hereunto signed by the members of its Board of Directors thereunto duly authorized.

GUTHRIE PUBLIC SERVICE DISTRICT, a public corporation

By: _____
JOE IZZO
Its Chairman

_____
KAY W. MOFFATT
Its Board Member

_____
BARBARA ABERNATHY
Its Board Member

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, To-Wit:

The foregoing instrument was acknowledged before me this 22nd day of May, 2001, by JOE IZZO, Chairman of the Public Service Board of the Guthrie Public Service District, a public corporation and political subdivision of the State of West Virginia, on behalf of said public corporation.

My commission expires April 26, 2010.

OFFICIAL SEAL
Notary Public, State Of West Virginia
CHERYAL L. DURGIN
1840 Oakridge Drive
Charleston, WV 25311
My Commission Expires April 26, 2010

Cheryal L. Durgin
Notary Public

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, To-Wit:

The foregoing instrument was acknowledged before me this 22nd day of May, 2001, by KAY W. MOFFATT, Board Member of the Public Service Board of the Guthrie Public Service District, a public corporation and political subdivision of the State of West Virginia, on behalf of said public corporation.

My commission expires April 26, 2010.

OFFICIAL SEAL
Notary Public, State Of West Virginia
CHERYAL L. DURGIN
1840 Oakridge Drive
Charleston, WV 25311
My Commission Expires April 26, 2010

Cheryal L. Durgin
Notary Public

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, To-Wit:

The foregoing instrument was acknowledged before me this 22nd day of May, 2001, by BARBARA ABERNATHY, Board Member of the Public Service Board of the Guthrie Public Service District, a public corporation and political subdivision of the State of West Virginia, on behalf of said public corporation.

My commission expires April 26, 2010.

OFFICIAL SEAL
Notary Public, State Of West Virginia
CHERYAL L. DURGIN
1840 Oakridge Drive
Charleston, WV 25311
My Commission Expires April 26, 2010

Cheryal L. Durgin
Notary Public

THIS INSTRUMENT PREPARED BY:

. Wyatt Hanna, III
.O. Box 8070
outh Charleston, WV 25303

his instrument was presented to the Clerk of the County
ommission of Kanawha County, West Virginia, on
nd the same is admitted to record.

MAY 22 2001

Teste: Clerk
Kanawha County Commission

BILL OF SALE

THIS BILL OF SALE, Made this 22nd day of May, 2001, by and between the PUBLIC SERVICE BOARD OF THE GUTHRIE PUBLIC SERVICE DISTRICT, a public corporation ("Seller"), and the CITY OF CHARLESTON, a West Virginia municipal corporation ("Buyer").

WITNESSETH:

That for and in consideration of Ten Dollars ($10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller hereby BARGAINS, SELLS, TRANSFERS, ASSIGNS and SETS OVER unto Buyer all of the personal property owned by Seller, including both tangible and intangible, and money in any form, including all bank deposits, and all franchises and all certificates of convenience and necessity issued to it.

Seller hereby WARRANTS that it is the true and lawful owner of said property; that it has the right to sell and convey the same; that said property is free and clear of all liens, security interests, encumbrances and all debts of whatever nature and description; that Seller has good, valid and absolute marketable title thereto; that Buyer shall have quiet enjoyment of said property; and, that Seller shall execute such further assurance as may be requisite.

Seller further agrees that it will deliver to Buyer all certificates of title or other evidences of ownership of said property and equipment now in Seller's possession.

Such property was obtained or improved with federal financial assistance and is subject to the nondiscrimination provisions of

Recorded In DEED BK 2526 PG 189, 05/22/2001 02:13:48 PM Deed Tax 0.00, Recording Fee 4.50, TOTAL 4.50
Alma Y. King, County Clerk, Kanawha County, WV

Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973 and other similarly worded federal statutes, and the regulations issued pursuant thereto that prohibit discrimination on the basis of race, color, national origin, handicap, religion, age, or sex in programs or activities receiving federal financial assistance. Such provisions apply for as long as the property continues to be used for the same or similar purposes for which the Federal assistance was extended, for so long as the purchaser owns it, whichever is later.

IN WITNESS WHEREOF, the Guthrie Public Service District, a public corporation and political subdivision of the State of West Virginia, has caused its name to be hereunto signed by the members of its Board of Directors thereunto duly authorized.

GUTHRIE PUBLIC SERVICE DISTRICT, a public corporation

By: _____
JOE IZZO
Its Chairman

_____
KAY W. MOFFATT
Its Board Member

_____
BARBARA ABERNATHY
Its Board Member

GUTHRIE PSD CORPORATE SEAL WEST VIRGINIA

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, To-Wit:

The foregoing instrument was acknowledged before me this 22nd day of May, 2001, by JOE IZZO, Chairman of the Public Service Board of the Guthrie Public Service District, a public corporation and political subdivision of the State of West Virginia, on behalf of said public corporation.

My commission expires April 26, 2010.

OFFICIAL SEAL
Notary Public, State Of West Virginia
CHERYAL L. DURGIN
1840 Oakridge Drive
Charleston, WV 25311
My Commission Expires April 26, 2010

Cheryal L Durgin
Notary Public

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, To-Wit:

The foregoing instrument was acknowledged before me this 22nd day of May, 2001, by KAY W. MOFFATT, Board Member of the Public Service Board of the Guthrie Public Service District, a public corporation and political subdivision of the State of West Virginia, on behalf of said public corporation.

My commission expires April 26, 2010.

OFFICIAL SEAL
Notary Public, State Of West Virginia
CHERYAL L. DURGIN
1840 Oakridge Drive
Charleston, WV 25311
My Commission Expires April 26, 2010

Cheryal L Durgin
Notary Public

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, To-Wit:

The foregoing instrument was acknowledged before me this 22nd day of May, 2001, by BARBARA ABERNATHY, Board Member of the Public Service Board of the Guthrie Public Service District, a public corporation and political subdivision of the State of West Virginia, on behalf of said public corporation.

My commission expires April 26, 2010.

OFFICIAL SEAL
Notary Public, State Of West Virginia
CHERYAL L. DURGIN
1840 Oakridge Drive
Charleston, WV 25311
My Commission Expires April 26, 2010

Cheryal L Durgin
Notary Public

THIS INSTRUMENT PREPARED BY:

H. Wyatt Hanna, III
P.O. Box 8070
South Charleston, WV 25303

This instrument was presented to the Clerk of the County Commission of Kanawha County, West Virginia, on MAY 22 2001 and the same is admitted to record.

Teste: Clerk
Kanawha County Commission

JACKSON & KELLY PLLC
ATTORNEYS AT LAW
1600 LAIDLEY TOWER
P. O. BOX 553
CHARLESTON, WEST VIRGINIA 25322

TELEPHONE 304-340-1000 TELECOPIER 304-340-1130

http://www.jacksonkelly.com

217 WEST BURKE STREET
MARTINSBURG, WEST VIRGINIA 25401
TELEPHONE 304-263-8800

256 RUSSELL AVENUE
NEW MARTINSVILLE, WEST VIRGINIA 26155
TELEPHONE 304-455-1751

6000 HAMPTON CENTER
MORGANTOWN, WEST VIRGINIA 26505
TELEPHONE 304-599-3000

412 MARKET STREET
PARKERSBURG, WEST VIRGINIA 26101
TELEPHONE 304-424-3490

1000 TECHNOLOGY DRIVE
FAIRMONT, WEST VIRGINIA 26554
TELEPHONE 304-368-2000

1144 MARKET STREET
WHEELING, WEST VIRGINIA 26003
TELEPHONE 304-233-4000

1660 LINCOLN STREET
DENVER, COLORADO 80264
TELEPHONE 303-390-0003

175 EAST MAIN STREET
LEXINGTON, KENTUCKY 40588
TELEPHONE 859-255-9500

2401 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20037
TELEPHONE 202-973-0200

MEMBER OF LEX MUNDI, THE WORLD'S LEADING ASSOCIATION OF INDEPENDENT LAW FIRMS.

May 22, 2001

West Virginia Water Development Authority 5.1(A)
180 Association Drive
Charleston, WV 25311-1571

Re: The City of Charleston, West Virginia
$823,741 Sewerage System Revenue Bonds, 2001 Series B

Ladies and Gentlemen:

We are bond counsel to The City of Charleston, West Virginia, (the "Issuer"), a municipal corporation.

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of loan agreement dated March 30, 1990, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Guthrie Public Service District (the "District"), and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of revenue bonds of the Issuer, dated May 22, 2001 (the "Local Bonds"), to evidence the assumption of the District's Sewerage System Revenue Bonds, Series 1990 A (the "District Bond"). The Local Bonds are in the principal amount of $823,741 issued in the form of one bond registered as to principal and interest to the Authority. Interest shall continue to be paid on the unpaid principal balance at the rate of seven and eighty-five hundredths percent (7.85%) per annum. Principal shall continue to be payable annually on October 1 of each year and interest shall continue to be payable semi-annually on each April 1 and October 1, as set forth in "Schedule X," attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purpose of evidencing the assumption of the District Bond.

We have also examined the applicable provisions of Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the Sewerage System Bond Ordinance duly enacted by the Issuer on April 2, 2001, (the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and

issued, and the existing Loan Agreement has been assumed by the Issuer. 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.

In connection with the issuance of the Bond, the Issuer has executed a Certificate as to Non-Arbitrage, dated as of the date hereof (the "Certificate as to Non-Arbitrage"), which, among other things, continues to set forth restrictions on the investment and earnings on the 2001 B Bond, to ensure that the arbitrage requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder (collectively, the "Code"), necessary to establish and maintain the excludability of interest on the 2001 B Bond from gross income for federal income tax purposes, are and will continue to be met.

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 assumed by the Issuer and is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof.

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

3. The Issuer is a duly organized and presently existing municipal corporation of the State of West Virginia, with full power and authority to acquire by merger the District's assets and assume the District Bond and to operate and maintain the System, which now includes the District's System, referred to in the Loan Agreement and to issue the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Issuer has legally and effectively enacted the Local Act and all other necessary resolutions in connection with the assumption of the District Bond by the Local Bonds. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds are valid and legally enforceable special obligations of the Issuer, payable from the net revenues of the System referred to in the Local Act and secured by a first lien on and pledge of the net revenues of said System, on a parity, with respect to liens, pledge and source of and security for payment with the Issuer's outstanding First Lien Bonds and senior to the Sewerage System Revenue Bonds, 2001 Series C Bonds issued simultaneously herewith and the Second Lien Bonds, as both are defined in the

Ordinance, all in accordance with the terms of the Local Bonds and the Local Act, and have been duly issued and delivered to the Authority.

6. The Issuer has reserved the right to issue additional bonds ranking on a parity with the Local Bonds, as provided in the Local Act.

7. The interest on the Local Bonds continues to be excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer continue to comply, on a continuing basis, with all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Local Bonds set forth in the Local Act and the Certificate as to Non-Arbitrage and with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Local Bonds in order that interest thereon continue to be excludable from gross income for federal income tax purposes. The Issuer has covenanted to continue to comply with all such requirements. Failure to comply with such certifications, covenants, representations and requirements could cause the interest on the Local Bonds to be includable in gross income retroactive to the date of issuance of the Local Bonds. We express no opinion regarding other federal tax consequences with respect to the Local Bonds.

8. The Local Bonds and the interest thereon are and continue to be, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision, or agency thereof.

It is to be understood that the rights of the holders of the 2001 B Bond and the enforceability of the Bond and the Local Act may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that such enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

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

Very truly yours,

Jackson & Kelly PLLC

JACKSON & KELLY PLLC
ATTORNEYS AT LAW
1600 LAIDLEY TOWER
P. O. BOX 553
CHARLESTON, WEST VIRGINIA 25322
TELEPHONE 304-340-1000 TELECOPIER 304-340-1130
http://www.jacksonkelly.com

217 WEST BURKE STREET
MARTINSBURG, WEST VIRGINIA 25401
TELEPHONE 304-263-8800

256 RUSSELL AVENUE
NEW MARTINSVILLE, WEST VIRGINIA 26155
TELEPHONE 304-455-1751

6000 HAMPTON CENTER
MORGANTOWN, WEST VIRGINIA 26505
TELEPHONE 304-599-3000

412 MARKET STREET
PARKERSBURG, WEST VIRGINIA 26101
TELEPHONE 304-424-3490

1000 TECHNOLOGY DRIVE
FAIRMONT, WEST VIRGINIA 26554
TELEPHONE 304-368-2000

1144 MARKET STREET
WHEELING, WEST VIRGINIA 26003
TELEPHONE 304-233-4000

1660 LINCOLN STREET
DENVER, COLORADO 80264
TELEPHONE 303-390-0003

175 EAST MAIN STREET
LEXINGTON, KENTUCKY 40588
TELEPHONE 859-255-9500

2401 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20037
TELEPHONE 202-973-0200

MEMBER OF LEX MUNDI, THE WORLD'S LEADING ASSOCIATION OF INDEPENDENT LAW FIRMS.

May 22, 2001

West Virginia Water Development Authority
180 Association Drive
Charleston, WV 25311-1571

5.1(B)

Re: The City of Charleston, West Virginia
$30,492 Sewerage System Revenue Bonds, 2001 Series C

Ladies and Gentlemen:

We are bond counsel to The City of Charleston, West Virginia, (the "Issuer"), a municipal corporation.

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of a loan agreement dated March 30, 1990, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Guthrie Public Service District (the "District"), and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of revenue bonds of the Issuer, dated May 22, 2001 (the "Local Bonds"), to evidence the assumption of the District's Sewerage System Revenue Bonds, Series 1990 B (the "District Bond"). The Local Bonds are in the principal amount of $30,492, issued in the form of one bond registered as to principal to the Authority. The Local Bonds shall continue to bear no interest. Principal shall continue to be payable annually on October 1 of each year, as set forth in "Schedule X," attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purpose of evidencing the assumption of the District Bond.

We have also examined the applicable provisions of Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the Sewerage System Bond Ordinance duly enacted by the Issuer on April 2, 2001, (the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the existing Loan Agreement has been assumed by the Issuer. 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 assumed by the Issuer and is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof.

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

3. The Issuer is a duly organized and presently existing municipal corporation of the State of West Virginia, with full power and authority to acquire by merger the District's assets and assume the District Bond and to operate and maintain the System, which now includes the District's System, referred to in the Loan Agreement and to issue the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Issuer has legally and effectively enacted the Local Act and all other necessary resolutions in connection with the assumption of the District Bond by the Local Bonds. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds are valid and legally enforceable special obligations of the Issuer, payable from the net revenues of the System referred to in the Local Act and secured by a first lien on and pledge of the net revenues of said System, on a parity, with respect to liens, pledge and source of and security for payment with the Issuer's outstanding Second Lien Bonds and junior and subordinate to the 2001 Series B and the First Lien Bonds, as both are defined in the Ordinance, all in accordance with the terms of the Local Bonds and the Local Act, and have been duly issued and delivered to the Authority.

6. The Issuer has reserved the right to issue additional bonds ranking on a parity with the Local Bonds, as provided in the Local Act.

7. The Local Bonds and the interest thereon are and continue to be, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision, or agency thereof.

It is to be understood that the rights of the holders of the Local Bonds and the enforceability of the Bond and the Local Act may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that such enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

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

Very truly yours,

Jackson & Kelly PLLC

CITY OF CHARLESTON
P.O. BOX 2749
CHARLESTON, WEST VIRGINIA 25330

May 22, 2001

West Virginia Water
Development Authority
180 Association Drive
Charleston, WV 25311-1571

5.2

Jackson & Kelly PLLC
P. O. Box 553
Charleston, WV 25322

Re: The City of Charleston, West Virginia
$823,741 Sewerage System Revenue Bonds, 2001 Series B
$30,492 Sewerage System Revenue Bonds, 2001 Series C
(Guthrie Public Service District)

Ladies and Gentlemen:

I am City Attorney for The City of Charleston, West Virginia (the "City"). As such City Attorney, I have examined copies of the approving opinion of Jackson & Kelly PLLC, as bond counsel, relating to the above-captioned bonds of the City (the "Bonds"), the Loan Agreements by and among the West Virginia Water Development Authority (the "Authority") and Guthrie PSD (the "District"), dated March 30, 1990, and a Sewerage System Bond Ordinance duly passed by the Council (the "Council") of the City on March 19, 2001, effective April 2, 2001, (the "Ordinance"), and other documents relating to the Bonds. Terms used in said opinions, the Loan Agreements, and Ordinance and not otherwise defined herein have the same meanings herein.

I am of the opinion that:

1. The City is a duly created and validly existing municipal corporation and the Mayor, the City Clerk and the other members of the Council were duly and properly elected or appointed, as applicable, have taken the requisite oaths, and are thereby authorized to act on behalf of the City in their respective capacities.

2. The assumption of the Loan Agreements have been duly authorized by the City and constitute valid and binding agreements of the City in accordance with their terms.

3. The members of the Council were duly and properly elected or appointed and are thereby authorized to act on behalf of the City.

4. The Ordinance has been duly enacted by the Council of the City and is in full force and effect.

5. The execution and delivery of the Bonds and the assumption of the Loan Agreements and the consummation of the transactions contemplated by the Loan Agreements, 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 City a breach of or default under any agreement or other instrument to which the City is a party or any existing law, regulation, court order or consent decree to which the City is subject.

6. The City has received all permits, licenses, approvals and authorizations necessary for the assumption and issuance of the Bonds, operation of the System, including, without limitation, the receipt of all requisite orders and approvals from the Public Service Commission of West Virginia (the "Public Service Commission"), and has taken any other action required. The Order of the Public Service Commission of West Virginia was entered on January 2, 2001 (Case No. 00-0152-PSD-PC), which approved the assumption of the District's assets by merger and the assumption of the District's Bonds and the appeal period for such Order has expired.

7. To the best of my knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public council or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by or the validity of the Bonds or the collection or pledge of the Revenues therefor.

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

Very truly yours,

City Attorney

C0304688.1

H. Wyatt Hanna, III

ATTORNEY AT LAW

512 D STREET • P.O. BOX 8070 • SOUTH CHARLESTON, WEST VIRGINIA 25303
(304) 744-3150 • FAX (304) 744-3157

May 22, 2001

The City of Charleston
City Hall
Charleston, WV 25330

Jackson & Kelly PLLC
P.O. Box 553
Charleston, WV 25322

WV Water Development Authority
180 Association Drive
Charleston, WV 25311

RE: Final Title Opinion for the City of Charleston

Ladies and Gentlemen:

This firm serves as Special Counsel in connection with the merger of Guthrie Public Service District (the "District") with the City of Charleston's (the "Issuer") sanitary sewer system (the "Merger"). We provide this final title opinion for this Merger. Please be advised of the following:

1. We are of the opinion that the Issuer is a duly created and validly existing municipality possessed with all the powers and authority granted to municipalities under the laws of the State of West Virginia to construct, operate and maintain the sanitary sewer system (the "System").

2. The Issuer has obtained all necessary permits and approvals for the Merger.

3. We have investigated and ascertained the location of, and are familiar with the legal description of, the necessary sites, including easements and/or rights of way of the District for the Merger.

4. We have examined the records on file in the Office of the Clerk of the County Commission of Kanawha County, West Virginia, the county the District is located, and, in our opinion, the Issuer has acquired legal title or such other estate or interest in all of the necessary site components of the District for the Merger, including all easements and/or rights of way, with the exception of those properties listed in Paragraph 5, sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the System.

5. The following listed properties are to be acquired by eminent domain and the necessary filings were previously made in the Office of the Clerk of the Circuit Court of Kanawha County, West Virginia, to permit the District a right-of-entry for the purpose of construction, operation and maintenance of the System on the subject properties. The Issuer's title thereto is defeasible in the event the Issuer does not satisfy any resulting judgment and/or award in the proceedings for acquisition of said properties, and our certification is subject to the reinstitution of a condemnation action for each of the following properties:

Name	Tax Map	Parcel
Franklin D. Lilly and Carolyn Sue Lilly	31	44
Vernon Cameron Newhouse and Betty G. Newhouse	31	43

In addition, the District acquired the sanitary sewer system located on certain property formerly or currently owned by James B. White, III, in 1995, for the properties identified on Tax Map 31, as Parcels 49.1, 60, and 62, however, Mr. White never conveyed an easement to the District for said sanitary sewer system and this Title Opinion is made expressly subject to this exception.

6. All deeds, easements and rights of way which have been acquired to date by the Issuer from the District have been duly recorded in the Office of the Clerk of the County Commission of Kanawha County to protect the legal title to and interest of the Issuer.

If you have any questions regarding any of the information contained in this final title opinion, or need anything further, please do not hesitate to let me know.

Sincerely,

H. Wyatt Hanna, III

HWHIII/rb

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

Date of Closing: March 30, 1990

BOND TRANSCRIPT

Table of Contents

BASIC DOCUMENTS

1 *Bond and Notes Resolution*

2 *Supplemental Resolution*

3 *Loan Agreement and Supplemental Loan Agreement*

4 *Public Service Commission Orders and Letter on Appeal, Contest, etc.*

5 *Cross-Receipt for Bonds and Bond Proceeds*

6 *Direction to Authenticate and Deliver Bonds*

7 *Specimen Series 1990 A Bond*

8 *Specimen Series 1990 B Bond*

OPINIONS OF COUNSEL

9 *Approving Opinion on Series 1990 A Bond of Steptoe & Johnson, Bond Counsel*

10 *Approving Opinion on Series 1990 B Bond of Steptoe & Johnson, Bond Counsel*

11 *No Arbitrage Opinion of Steptoe & Johnson, Bond Counsel*

12 *Opinion of Counsel to Issuer*

CERTIFICATES

13	*General Certificate of Issuer and Attorney*
14	*Certificate as to Arbitrage*
15	*Certificate of Engineer*
16	*Certificate of Certified Public Accountant*

DOCUMENTS OF THE ISSUER

17	*County Commission Orders Relating to Creation of District and Affidavit of Publication*
18	*County Commission Orders Appointing Current Boardmembers and Oaths of Office of Current Boardmembers*
19	*[RESERVED]*
20	*Affidavits of Publication of Notice of Borrowing and Filing of PSC Application*
21	*Rules of Procedure of Board*
22	*Minutes of 1990 Organizational Meeting of Board*
23	*Minutes on Adoption of Bond and Notes Resolution and Supplemental Resolution*
24	*IRS Information Return (Form 8038-G) and Letter of Transmittal*
25	*Municipal Bond Commission New Issue Reports*

MISCELLANEOUS DOCUMENTS

26	*EPA Grant Agreement, with Part B Amendment*
27	*Evidence of County Commission Grant Commitments*
28	*Acceptance by One Valley Bank, National Association, of Duties as Registrar*
29	*Acceptance by One Valley Bank, National Association, of Duties as Depository Bank*

MISCELLANEOUS DOCUMENTS (Continued)

30	*Certificate of Registration of Bonds*
31	*Registrar's Agreement*
32	*Assignment Separate From Bond*
33	*Agreement with Sanitary Board of the City of Charleston*
34	*NPDES Permit of City of Charleston and DNR Letter*
35	*Flow of Funds Schematic Diagram*

03/28/90
GUTJ.C4
36733/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRAN EW JERSEY 07016 ED 11-10

GUTHRIE PUBLIC SERVICE DISTRICT

SEWER REVENUE BONDS,
SERIES 1990 A AND SERIES 1990 B
and
INTERIM CONSTRUCTION FINANCING

BOND AND NOTES RESOLUTION

Table of Contents

Subject		Page
ARTICLE I		
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS		
Section 1.01	*Authority for this Resolution*	*1*
Section 1.02	*Findings*	*1*
Section 1.03	*Bond Legislation Constitutes Contract*	*4*
Section 1.04	*Definitions*	*4*
ARTICLE II		
AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT		
Section 2.01	*Authorization of Acquisition and Construction of the Project*	*14*
ARTICLE III		
AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT		
Section 3.01	*Authorization of Bonds*	*15*
Section 3.02	*Terms of Bonds*	*15*
Section 3.03	*Execution of Bonds*	*16*
Section 3.04	*Authentication and Registration*	*16*
Section 3.05	*Negotiability, Transfer and Registration*	*16*
Section 3.06	*Bonds Mutilated, Destroyed, Stolen or Lost*	*17*
Section 3.07	*Bonds not to be Indebtedness of the Issuer*	*18*
Section 3.08	*Bonds Secured by Pledge of Net Revenues; Lien Positions*	*18*
Section 3.09	*Form of Original Bonds*	*18*
FORM OF SERIES 1990 A BOND		*19*
FORM OF SERIES 1990 B BOND		*26*

Section 3.10	*Sale of Original Bonds; Approval and Ratification of Execution of Loan Agreement with Authority*	*33*
Section 3.11	*"Amended Schedule A" Filing; Tender of Series 1990 B Bonds*	*33*

ARTICLE IV
INTERIM CONSTRUCTION FINANCING

Section 4.01	*Authorization and General Terms*	*34*
Section 4.02	*Terms of and Security for Notes; Trust Indenture*	*34*
Section 4.03	*Notes are Special Obligations*	*34*
Section 4.04	*Letters of Credit*	*34*

ARTICLE V
FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01	*Establishment of Funds and Accounts with Depository Bank*	*36*
Section 5.02	*Establishment of Funds and Accounts with Commission*	*36*
Section 5.03	*System Revenues; Flow of Funds*	*36*

ARTICLE VI
BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01	*Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds*	*42*
Section 6.02	*Disbursements From the Bond Construction Trust Fund*	*43*

ARTICLE VII
ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01	*General Covenants of the Issuer*	*45*
Section 7.02	*Bonds and Notes not to be Indebtedness of the Issuer*	*45*
Section 7.03	*Bonds Secured by Subordinate Pledge of Net Revenues; Lien Positions*	*45*
Section 7.04	*Initial Schedule of Rates and Charges*	*46*
Section 7.05	*Sale of the System*	*46*
Section 7.06	*Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances*	*47*
Section 7.07	*Parity Bonds*	*48*
Section 7.08	*Books and Records*	*50*

Section 7.09	*Rates*	*51*
Section 7.10	*Operating Budget and Audit*	*52*
Section 7.11	*No Competing Franchise*	*53*
Section 7.12	*Enforcement of Collections*	*53*
Section 7.13	*No Free Services*	*54*
Section 7.14	*Insurance and Construction Bonds*	*54*
Section 7.15	*Mandatory Connections*	*55*
Section 7.16	*Completion of Project*	*56*
Section 7.17	*Tax Covenants*	*56*
Section 7.18	*Statutory Mortgage Lien*	*57*

ARTICLE VIII
INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01	*Investments*	*58*
Section 8.02	*Arbitrage*	*59*
Section 8.03	*Tax Certificate and Rebate*	*59*

ARTICLE IX
DEFAULT AND REMEDIES

Section 9.01	*Events of Default*	*61*
Section 9.02	*Remedies*	*62*
Section 9.03	*Appointment of Receiver*	*62*

ARTICLE X
DEFEASANCE

Section 10.01	*Defeasance of Series 1990 A Bonds*	*64*
Section 10.02	*Defeasance of Series 1990 B Bonds*	*65*
Section 10.03	*Defeasance of Notes*	*66*

ARTICLE XI
MISCELLANEOUS

Section 11.01	*Amendment or Modification of Bond Legislation*	*67*
Section 11.02	*Bond Legislation Constitutes Contract*	*67*
Section 11.03	*Severability of Invalid Provisions*	*67*
Section 11.04	*Headings, Etc.*	*67*
Section 11.05	*Conflicting Provisions Repealed*	*68*
Section 11.06	*Covenant of Due Procedure, Etc.*	*68*
Section 11.07	*Public Notice of Proposed Financing*	*68*
Section 11.08	*Effective Date*	*68*

SIGNATURES	*69*
CERTIFICATION	*70*

GUTHRIE PUBLIC SERVICE DISTRICT

RESOLUTION

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF GUTHRIE PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $1,050,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 A, NOT MORE THAN $49,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 B, AND NOT MORE THAN $1,600,000 INTERIM CONSTRUCTION FINANCING, CONSISTING OF BOND ANTICIPATION NOTES, GRANT ANTICIPATION NOTES OR A LINE OF CREDIT EVIDENCED BY NOTES OR ANY COMBINATION OF THE FOREGOING; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS AND NOTES; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE NOTES; APPROVING AND RATIFYING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND NOTES AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GUTHRIE PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

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

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

A. Guthrie Public Service District (the "Issuer") is a public service district and political subdivision of the State of West Virginia in Kanawha County of said State.

B. The Issuer does not presently own or operate a public sewerage system or public sewerage facilities, and it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain sewerage facilities of the Issuer, consisting of acquisition and construction of two (2) pumping stations, 7,638 linear feet of 6-inch sewer pipe, 24,540 linear feet of 8-inch sewer pipe, 5,400 linear feet of 10-inch sewer pipe, 1,940 linear feet of 12-inch sewer pipe, 1,750 linear feet of 8-inch force main, 770 linear feet of 1/2-inch force main, 4,790 linear feet of 8-inch ductile iron pipe and 223 manholes, together with all appurtenant facilities (collectively, the "Project"), which constitute properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the Project and any additions or improvements thereto or extensions thereof is herein called the "System") at an estimated cost of $3,077,050, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer. Sewerage from the System will be treated by the City of Charleston pursuant to an agreement between the Sanitary Board of the City of Charleston and the Issuer, which agreement has been approved by the Public Service Commission of West Virginia.

C. 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 the costs of the operation and maintenance of said System, the principal of and interest on the Bonds and all Sinking Funds, Reserve Accounts and other payments provided for herein, all as such terms are hereinafter defined.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the total aggregate principal amount of not more than $1,099,000 in two series, being the Series 1990 A Bonds in the aggregate principal amount of not more than $1,050,000, and the Series 1990 B Bonds in the aggregate principal amount of not more than $49,000 (collectively, the "Original Bonds"), and (at the option of the Issuer) to issue its sewerage system bond anticipation notes prior to issuance of the Original Bonds and contemporaneously therewith, or as soon as practicable thereafter, to issue its sewerage system grant anticipation notes and/or a note or notes evidencing a line of credit, or any combination of the foregoing (collectively, the "Notes"), in the aggregate principal amount of not more than $1,600,000 to temporarily finance costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Notes during the term thereof and upon the 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 Reserve Accounts; 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 of the Authority (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 Bonds and/or the Notes 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, including, with respect to the Notes, any fees for the providing of a letter of credit, as hereinafter defined, and any costs of obtaining insurance thereon; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Bonds or the Notes 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 Original Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement and a supplemental loan agreement to be entered into between the Issuer and the Authority, in form satisfactory to the Issuer and the Authority, as shall be approved by supplemental resolution.

G. There are no outstanding obligations of the Issuer which will rank prior to or on a parity with the Bonds as to liens and source of and security for payment. The Issuer has outstanding its $181,000 Water Revenue Bond, Series 1985, which is not payable from or entitled to any lien on or pledge of any of the revenues of the System, or a statutory mortgage thereon. The Series 1990 B Bonds shall be junior and subordinate to the Series 1990 A Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Grant Anticipation Notes, if issued, will not be payable from the Net Revenues, but shall be payable from Grant Receipts, Surplus Revenues, certain proceeds of such Grant Anticipation Notes and proceeds of a letter of credit, if any, all as shall be set forth in the Indenture and/or the Supplemental Resolution authorizing the Notes or such Grant Anticipation Notes. The Bond Anticipation Notes, if issued, will be payable from the proceeds of the Bonds, certain proceeds of such Bond Anticipation Notes and the

Net Revenues, if necessary, all as shall be set forth in the Indenture and/or the Supplemental Resolution authorizing the Notes or such Bond Anticipation Notes.

H. The Issuer has complied with all requirements of West Virginia law relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Bonds and the Notes, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the obtaining of a Certificate of Public Convenience and Necessity and approval of this financing and necessary user rates and charges described herein 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 Bonds or any of the Notes or such final order will not be subject to appeal or rehearing.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Bonds and the Notes 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 such Noteholders, 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 Bonds and Notes, respectively, 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 and between any one Note of a series and any other Note 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 Chapter 16, Article 13A of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Original Bonds, or any other agency of the State of West Virginia that succeeds to the functions of the Authority.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman duly selected by the Governing Body.

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

"Bondholder," "Holder of the Bonds," "Holder" 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," "Resolution," "Bond and Notes Resolution" or "Local Act" means this Bond and Notes Resolution and all 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.

"Bond Year" means each one-year period (or shorter period from the date of issue of the Bonds) that ends at the close of business on October 1.

"Bonds" means the Original Bonds and any bonds on a parity therewith authorized to be issued hereunder.

"Chairman" means the Chairman of the Governing Body of the Issuer.

"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 Dunn Engineers, Inc., Charleston, West Virginia, or any engineer or firm of engineers that shall at any time hereafter be retained by the Issuer as Consulting Engineers for the System.

"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.

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

"EPA" means the United States Environmental Protection Agency and any successor to the functions of the EPA.

"EPA Grant" means the grant from the EPA pursuant to the commitment therefor.

"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" or "Board" means the public service board 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 the EPA Grant.

"Grant Agreement" means a written commitment for the payment of the EPA Grant or any of the Other Grants, specifying the amount of such Grant, the terms and conditions upon which such Grant is made and the date or dates or event or events upon which such Grant is to be paid to the Issuer; provided that, "EPA Grant Agreement" means only the Grant Agreement relating to the EPA Grant and "Other Grant Agreements" means only those Grant Agreements relating to the Other Grants.

"Grant Receipts" means all moneys received by the Issuer on account of any Grant after the date of issuance of any grant anticipation notes; provided that, "EPA Grant Receipts" means only Grant Receipts on account of the EPA Grant, and "Other Grant Receipts" means only Grant Receipts on account of any or all of the Other Grants.

"Grants" means, collectively, the EPA Grant and the Other Grants, as hereinafter defined.

"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.

"Indenture" or "Trust Indenture" means the Trust Indenture which may, at the Issuer's option, be entered into between the Issuer and the Trustee relating to any or all of the Notes and all supplements or amendments thereto.

"Independent Certified Public Accountants" shall mean 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 Guthrie Public Service District, in Kanawha County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" shall mean, collectively, the Loan Agreement and the Supplemental Loan Agreement, to be entered into between the Authority and the Issuer providing for the purchase of the Original Bonds from the Issuer by the Authority, the forms of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Original Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds 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 Original 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

Original Bonds and is not acquired in order to carry out the governmental purpose of the Original Bonds.

"Noteholder," "Holder of the Notes" or any similar term means the person, whenever used herein with respect to an outstanding Note or Notes, in whose name such Note is registered.

"Notes" means, collectively, the not more than $1,600,000 in aggregate principal amount of sewerage system bond anticipation notes, grant anticipation notes and/or notes evidencing a line of credit, or any combination of the foregoing, and originally authorized hereby, which may be issued by the Issuer, the terms of which shall be set forth in one or more Supplemental Resolutions, and unless the context clearly indicates otherwise, the terms "Notes" includes any refunding Notes of the Issuer.

"Notes Construction Trust Fund" means the Notes Construction Trust Fund which may be established by the Indenture.

"Notes Debt Service Fund" means the Notes Debt Service Fund which may be established by the Indenture.

"Notes Registrar" means the bank to be designated as such in the Indenture and/or the Supplemental Resolution pertaining to such Notes and its successors and assigns.

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

"Original Bonds" or "Bonds originally authorized hereby" or similar phrases mean, collectively, the not more than $1,050,000 in aggregate principal amount of Series 1990 A Bonds and the not more than $49,000 in aggregate principal amount of Series 1990 B Bonds,

issued for the purpose of paying a portion of the Costs of the Project and for such other purposes permitted and authorized by this Bond Legislation.

"Original Notes Purchaser" means, in the event Notes are issued, the original purchaser of such Notes, as shall be named in the Supplemental Resolution, and, in the event a note or notes evidencing a line of credit are issued, such bank or banks as shall be named in a resolution supplemental hereto.

"Other Grants" means any other grant other than the EPA Grant hereafter received by the Issuer to aid in financing any Costs.

"Outstanding," when used with reference to Bonds or Notes and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered, or all Notes theretofore and thereupon being authenticated and delivered, as applicable, except (i) any Bond or Note cancelled by the Bond Registrar or Notes Registrar, at or prior to said date; (ii) any Bond or Note 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 or under the Indenture, as applicable, and set aside for such payment (whether upon or prior to maturity); (iii) any Bond or Note deemed to have been paid as provided in Article X hereof or as provided in the Indenture, as applicable; and (iv) for purposes of consents or other action by a specified percentage of Bondholders or Noteholders, any Bonds or Notes 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 bank or banks or other entity designated as such for the Bonds and/or the Notes in the Indenture or in the Supplemental Resolution or such entity or authority as may be designated by the Issuer.

"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.

"Program" means the Authority's loan program, under which the Authority purchases the water development revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of water development revenue bonds of the Authority.

"Project" means the acquisition and construction of certain sewerage facilities of the Issuer, consisting generally of two (2) pumping stations, 7,638 linear feet of 6-inch sewer pipe, 24,540 linear feet of 8-inch sewer pipe, 5,400 linear feet of 10-inch sewer pipe, 1,940 linear feet of 12-inch sewer pipe, 1,750 linear feet of 8-inch force main, 770 linear feet of 1/2-inch force main, 4,790 linear feet of 8-inch ductile iron pipe and 223 manholes, together with all appurtenant facilities.

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

"Registrar" means, as appropriate, either the Bond Registrar or the Notes Registrar, or both.

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

"Revenue Fund" means the Revenue Fund established by Section 5.01 hereof.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 1990 A Bonds" or "Series A Bonds" means the not more than $1,050,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1990 A, of the Issuer.

"Series 1990 A Bonds Reserve Account" means the Series 1990 A Bonds Reserve Account established in the Series 1990 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1990 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 1990 A Bonds in the then current or any succeeding year.

"Series 1990 A Bonds Sinking Fund" means the Series 1990 A Bonds Sinking Fund established by Section 5.02 hereof.

"Series 1990 B Bonds" or "Series B Bonds" means the not more than $49,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1990 B, of the Issuer.

"Series 1990 B Bonds Reserve Account" means the Series 1990 B Bonds Reserve Account established in the Series 1990 B Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1990 B Bonds Reserve Requirement" means, as of the date of calculation, the maximum amount of principal which will become due on the Series 1990 B Bonds in the then current or any succeeding year.

"Series 1990 B Bonds Sinking Fund" means the Series 1990 B Bonds Sinking Fund established by Section 5.02 hereof.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of any or all of the Notes or the sale of the Original Bonds, as the case may be; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Notes or the Original Bonds, as the case may be, and not so included may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund and the Reserve Accounts, the proceeds of which Bonds or other obligations are to be used to pay Costs of the Project.

"System" means the complete properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, in its entirety or any integral part thereof, and shall include 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.

"Trustee" means the banking institution designated as trustee for the Noteholders under the Indenture, if any, its successors and assigns.

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

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized the acquisition and construction of the Project, at an estimated cost of $3,077,050, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Notes and the Bonds hereby authorized shall be applied as provided in the Indenture, if any, and Article VI hereof, respectively.

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 1990 A Bonds, funding a reserve account for each series of Original Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Original Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be issued negotiable Original Bonds of the Issuer, in an aggregate principal amount of not more than $1,099,000. Said Bonds shall be issued in two series, to be designated respectively, "Sewer Revenue Bonds, Series 1990 A," in the aggregate principal amount of not more than $1,050,000, and "Sewer Revenue Bonds, Series 1990 B," in the aggregate principal amount of not more than $49,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. Such Bonds shall be issued contemporaneously with or prior to issuance of the Grant Anticipation Notes, if any. The proceeds of the Bonds remaining after funding of the Reserve Accounts (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Bond Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Bonds shall bear interest at such rate or rates, not exceeding the then legal maximum, payable semiannually 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. The 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 Bonds shall be paid by check or draft of the Paying 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 Original Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a debt service schedule attached, representing the aggregate principal amount of each series, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Bonds of each series shall be exchangeable at the option and expense of the Holder for other fully registered 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 Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No 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 forms set forth in Section 3.09 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 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 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting any of said Bonds 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 any of the Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

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

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any 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 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 and amounts, if any, in the respective Reserve Accounts. No holder or holders of any of the Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Positions. The payment of the debt service of all the Series 1990 A Bonds shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System. The payment of the debt service of all the Series 1990 B Bonds shall also be secured forthwith equally and ratably with each other by a lien on the Net Revenues derived from the System, but junior and subordinate to the lien on such Net Revenues in favor of the Holders of the Series 1990 A Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Bonds and to make the payments into the Sinking Funds, the Reserve Accounts therein and the Renewal and Replacement Fund hereinafter established, are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due.

Section 3.09. Form of Original Bonds. The text of the Bonds shall be in substantially the following forms, 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 Series 1990 A Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GUTHRIE PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND,
SERIES 1990 A

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That GUTHRIE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Kanawha 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 ($_____), in installments on October 1 of each year, as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, and such interest shall be payable on April 1 and October 1 in each year, beginning _____ 1, 19__. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar") on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement between the Issuer and the Authority, dated _____, 19__.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewerage facilities of the Issuer (the "Project"); (ii) [to pay interest on the Bonds of this Series (the "Bonds") during the construction of the Project and for not more than 6 months thereafter; (iii) to fund a reserve account for the Bonds; and (iv)] to pay certain costs of issuance hereof and related costs. The Project and any additions, extensions or improvements thereto is 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 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution duly adopted by the Issuer on _____, 19_____, and a Supplemental Resolution duly adopted by the Issuer on _____, 19__ (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is issued concurrently with the Sewer Revenue Bonds, Series 1990 B, of the Issuer (the "Series 1990 B Bonds"), issued in the aggregate principal amount of $_____, which Series 1990 B Bonds are junior and subordinate with respect to liens and source of and security for payment to the Bonds.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1990 A Bonds Reserve Account") and unexpended proceeds of the Bonds and the Series 1990 B Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Series 1990 A Bonds Reserve Account and unexpended proceeds of the Bonds and the Series 1990 B Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable

in any year for principal of and interest on the Bonds, the Series 1990 B Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds or the Series 1990 B Bonds, provided however, that so long as there exists in the Series 1990 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for the Series 1990 B Bonds and any other obligations outstanding prior to or on a parity with the Bonds or the Series 1990 B Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar 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 Bond 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, shall be applied solely to the payment of the Costs of the Project 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 owner of this Bond.

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

and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

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

IN WITNESS WHEREOF, GUTHRIE PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated _____, 19__.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1990 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: _____

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

By _____
Its Authorized Officer

EXHIBIT A

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:

_____

[Form of Series 1990 B Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GUTHRIE PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND,
SERIES 1990 B

No. BR-__ $_____

KNOW ALL MEN BY THESE PRESENTS: That GUTHRIE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Kanawha 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 ($_____), in annual installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference, without 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 upon the terms and conditions prescribed by, and otherwise in compliance with, the Supplemental Loan Agreement between the Issuer and the Authority, dated _____, 19__.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewerage facilities 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 Project and any additions, extensions or improvements thereto is 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 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution duly adopted by the

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

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT TO THE SEWER REVENUE BONDS, SERIES 1990 A, OF THE ISSUER ISSUED CONCURRENTLY HEREWITH IN THE AGGREGATE PRINCIPAL AMOUNT OF $_____ AND DESCRIBED IN THE BOND LEGISLATION (THE "SERIES 1990 A BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System after there has first been paid from said Net Revenues all payments then due and owing on account of the Series 1990 A Bonds, all moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1990 B Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1990 B Bonds Reserve Account and unexpended Bond proceeds. 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, the Series 1990 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity therewith, provided however, that so long as there exists in the Series 1990 B Bonds Reserve Account and the reserve account established for the Series 1990 A Bonds, respectively, amounts at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds and the Series 1990 A Bonds in the then current or any succeeding year, and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, such percentage may be reduced to 110%. The Issuer has

entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the 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 Bond Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements as 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, shall be applied solely to the payment of the Costs of the Project 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 owners of the Bonds, which lien is subordinate to the lien in favor of the registered owners of the Series 1990 A Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been 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, GUTHRIE PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated _____, 19__.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1990 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

By _____
Its Authorized Officer

EXHIBIT A

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 3.10. Sale of Original Bonds; Approval and Ratification of Execution of Loan Agreement with Authority. The Original Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairman 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 Secretary 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 3.11. "Amended Schedule A" Filing; Tender of Series 1990 B Bonds. Upon completion of acquisition and construction of the Project, 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 the Project and sources of funds therefor. In the event such schedule reflects an excess of funding for the Project, or if the Authority is otherwise advised of an excess, the Authority may tender the Series 1990 B Bonds to the Issuer for payment in an amount equal to such excess. Notwithstanding the foregoing, if the Issuer has Notes outstanding upon completion of acquisition and construction of the Project, it will advise the Authority of such fact and submit a second schedule to the Authority upon payment of such Notes, and the Authority will not tender its Series 1990 B Bonds for payment until the outstanding Notes have been paid.

ARTICLE IV

INTERIM CONSTRUCTION FINANCING

Section 4.01. Authorization and General Terms. In order to pay certain Costs of the Project pending receipt of the Grant Receipts or issuance of the Bonds, the Issuer may issue and sell its Notes in an aggregate principal amount not to exceed $1,600,000. The Notes may be in the form of bond anticipation notes, grant anticipation notes and/or as evidence of a line of credit from a commercial bank or other lender, or any combination of the foregoing, at the discretion of the Issuer, and as shall be set forth in one or more resolutions supplemental hereto. The Notes shall bear interest from the date or dates, at such rate or rates, payable on such dates and shall mature on such date or dates and be subject to such prepayment or redemption, all as provided in the Indenture and/or supplemental resolution, as applicable.

Section 4.02. Terms of and Security for Notes; Trust Indenture. The Notes, if issued, shall be issued in fully registered form, in the denominations, with such terms and secured in the manner set forth in the Indenture, if applicable (which Indenture in the form to be executed and delivered by the Issuer shall be approved by a supplemental resolution), or one or more supplemental resolutions, if no Indenture is used.

Section 4.03. Notes are Special Obligations. The Notes shall be special obligations of the Issuer payable as to principal and interest solely from proceeds of the Bonds or the Net Revenues (if issued in the form of Bond Anticipation Notes) or the Grant Receipts, the Surplus Revenues and letter of credit proceeds (if issued in the form of Grant Anticipation Notes) and from other sources described in the Indenture and/or such supplemental resolution or resolutions. The Notes do not and shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions. The general funds of the Issuer are not liable, and neither the full faith and credit nor the taxing power, if any, of the Issuer is pledged for the payment of the Notes. The Holders of the Notes shall never have the right to compel the forfeiture of any property of the Issuer. The Notes shall not be a debt of the Issuer, nor a legal or equitable pledge, charge, lien or encumbrance upon any property of the Issuer or upon any of its income, receipts or revenues except as set forth in the Indenture and/or the Supplemental Resolution.

Section 4.04. Letters of Credit. As additional security for any Notes, the Issuer may obtain a letter or letters of credit

from a bank or banks, pursuant to which such bank or banks would agree to pay to the Trustee, upon presentation by the Trustee of certain certificates, the sum or sums set forth therein but not to exceed $1,600,000 in the aggregate. In the event of a draw under any such letter of credit, the Issuer shall issue its refunding notes to the bank issuing such letter of credit. Any such letter or letters of credit shall be authorized and shall have such terms as shall be set forth in a resolution supplemental hereto.

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 created with and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and from each other:

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Bond Construction Trust Fund; and

(4) Rebate Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with the Commission:

(1) Series 1990 A Bonds Sinking Fund;

(a) Within the Series 1990 A Bonds Sinking Fund, the Series 1990 A Bonds Reserve Account.

(2) Series 1990 B Bonds Sinking Fund;

(a) Within the Series 1990 B Bonds Sinking Fund, the Series 1990 B Bonds Reserve Account.

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

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

(2) Thereafter, from moneys remaining in the Revenue Fund, the Issuer shall next, on the first day of each month, commencing 7 months prior to the first date of payment of interest on the Series 1990 A Bonds for which interest has

not been capitalized, apportion and set apart out of the Revenue Fund and remit to the Commission, for deposit in the Series 1990 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on said Series 1990 A Bonds on the next ensuing semiannual interest payment date; provided, that, in the event the period to elapse between the date of such initial deposit in the Series 1990 A Bonds Sinking Fund and the next semiannual interest payment date is less than 7 months, then such monthly payments shall be increased proportionately to provide, one month prior to the next semiannual interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall also, on the first day of each month, commencing 13 months prior to the first date of payment of principal on the Series 1990 A Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1990 A Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1990 A Bonds on the next ensuing principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1990 A Bonds Sinking Fund and the next annual principal payment date is less than 13 months then such monthly payments shall be increased proportionately to provide, one month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series 1990 A Bonds, if not fully funded upon issuance of the Series 1990 A Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1990 A Bonds Reserve Account, an amount equal to 1/120 of the Series 1990 A Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1990 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 1990 A Bonds Reserve Requirement.

(5) From the moneys remaining in the Revenue Fund, the Issuer shall next, on the first day of each month, commencing with the month succeeding the first full calendar month after commencement of operation of the System,

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, emergency repairs, improvements or extensions to the System; provided, that any deficiencies in the reserves established with respect to the Series 1990 A Bonds 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 by Section 5.03(A)(4)] shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

(6) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal on the Series 1990 B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1990 B Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1990 B Bonds on the next ensuing principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1990 B Bonds Sinking Fund and the next annual principal payment date is less than 13 months then such monthly payments shall be increased proportionately to provide, one month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(7) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series 1990 B Bonds, if not fully funded upon issuance of the Series 1990 B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1990 B Bonds Reserve Account, an amount equal to 1/120 of the Series 1990 B Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1990 B 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 1990 B Bonds Reserve Requirement.

Moneys in the Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the respective series of Bonds as the same shall become due. Moneys in the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the respective series of Bonds, as the same shall come due, when other moneys in the attendant Sinking Fund are insufficient therefor, and for no other purpose, except for transfers to the Rebate Fund permitted hereunder.

Except to the extent transferred to the Rebate Fund at the request of the Issuer, all investment earnings on moneys in the several Sinking Funds and Reserve Accounts 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 payments, if any, due on the respective series of Bonds, and then to the next ensuing principal payments due thereon.

Except with respect to transfers to the Rebate Fund permitted hereunder, any withdrawals from the Series 1990 A Bonds Reserve Account which result in a reduction in the balance of the Series 1990 A Bonds Reserve Account to below the Series 1990 A Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full to the Series 1990 A Bonds Sinking Fund for payment of debt service on the Series 1990 A Bonds.

Except with respect to transfers to the Rebate Fund permitted hereunder, any withdrawals from the Series 1990 B Bonds Reserve Account which result in a reduction in the balance of the Series 1990 B Bonds Reserve Account to below the Series 1990 B Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments to the Series 1990 A Bonds Sinking Fund, the Series 1990 A Bonds Reserve Account, the Renewal and Replacement Fund and the Series 1990 B Bonds Sinking Fund have been made in full.

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 provided and required to be paid into the concomitant Sinking Fund in any year for account of the Bonds of such series, including such additional Bonds which by their terms are payable from such Sinking Fund.

The Issuer shall not be required to make any further payments into the Series 1990 A Bonds Sinking Fund, or the Series 1990 B Bonds Sinking Fund or into the Reserve Accounts therein when the aggregate amount of funds in said respective Sinking Funds and Reserve Accounts are at least equal to the aggregate principal amount of the respective Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the respective maturities thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Sinking Funds created hereunder, and all amounts required for said Sinking Funds shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

The payments into the Sinking Funds shall be made on the first day of each month, except that when the first day of any month shall be a Sunday or legal holiday then such payments shall be made on the next succeeding business day, and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

Moneys in the Reserve Accounts shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

Except with respect to transfers to the Rebate Fund permitted hereunder, the Sinking Funds, including the Reserve Accounts therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the respective 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 hereinbefore provided, are current and there remains in said Revenue

Fund a balance in excess of the estimated amounts required to be so transferred and paid into the Sinking Funds, including the Reserve Accounts therein and the Renewal and Replacement Fund during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System, including, but not limited to, payment to the Trustee for deposit in the Notes Debt Service Fund.

C. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay the Depository Bank's charges and the Paying Agent fees then due.

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

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

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

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

H. All Tap Fees shall be deposited by the Issuer, as received, in the Bond Construction Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System, provided that, in the event Notes are issued, Tap Fees may, with the written consent of the Authority be deposited otherwise.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

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

A. From the proceeds of the Series 1990 A Bonds, there shall first be deposited with the Commission in the Series 1990 A Bonds Sinking Fund, the amount, if any, specified in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 1990 A Bonds for the period commencing on the date of issuance of the Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 1990 A Bonds, there shall be deposited with the Commission in the Series 1990 A Bonds Reserve Account, and from the proceeds of the Series 1990 B Bonds, there shall be deposited with the Commission in the Series 1990 B Reserve Account, the respective sums, if any, set forth in the Supplemental Resolution for funding of the Reserve Accounts.

C. Next, from the proceeds of the Series 1990 A Bonds, there shall first be credited to the Bond Construction Trust Fund and then paid, any and all borrowings by the Issuer made for the purpose of temporarily financing a portion of the Costs of the Project, including interest accrued thereon to the date of such payment, not otherwise paid from funds of the Issuer.

D. The remaining moneys derived from the sale of the Bonds shall be deposited with the Depository Bank in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02.

E. The Depository Bank shall act as a trustee and fiduciary for the Bondholder with respect to the Bond Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Bond Construction Trust Fund set forth in the Bond Legislation. Except with respect to any transfers to the Rebate Fund permitted hereunder, moneys in the Bond Construction Trust Fund shall be used solely to pay Costs of the Project and until so transferred or expended, are hereby pledged as additional security for the Series 1990 A Bonds, and thereafter for the Series 1990 B Bonds. In the event that Notes are issued, the disposition of funds in the Bonds

Construction Trust Fund may be modified from that set forth herein, with the written consent of the Authority.

Section 6.02. Disbursements From the Bond Construction Trust Fund. Payments for Costs of the Project shall be made monthly.

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

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

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

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

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

In case any contract provides for the retention of a portion of the contract price, the Depository Bank shall disburse from the Bond Construction Trust Fund only the net amount remaining after deduction of any such portion. All payments made from the Bond Construction Trust Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Bond Construction Trust Fund. The Consulting Engineers shall from time to time file with the Depository Bank written statements advising the Depository Bank of its then authorized representative.

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

After completion of the Project, as certified by the Consulting Engineers, the Depository Bank shall transfer any moneys remaining in the Bond Construction Trust Fund to the Series 1990 A Bonds Reserve Account, and when fully funded to the Series 1990 B

Bonds Reserve Account, and when both Reserve Accounts are fully funded, shall return such remaining moneys to the Issuer for deposit in the Revenue Fund. The Issuer shall thereafter, apply such moneys in full, first to the next ensuing interest payments, if any, due on the respective Series of Bonds and thereafter to the next ensuing principal payments due thereon. Notwithstanding the foregoing, if the Authority tenders any of its Series 1990 B Bonds to the Issuer pursuant to the provisions of the Supplemental Loan Agreement, such moneys shall be applied to the purchase of such Series 1990 B Bonds.

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 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 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 said Bonds or the interest thereon is Outstanding and unpaid.

Until the payment in full of the principal of and interest on the Notes when due, and to the extent they do not materially adversely affect Bondholders, the covenants, agreements and provisions contained in this Bond Legislation shall, where applicable, also inure to the benefit of the Holders of the Notes and the Trustee therefor and constitute valid and legally binding covenants of the Issuer, enforceable in any court of competent jurisdiction by the Trustee or any Holder or Holders of said Notes as prescribed in the Indenture; provided, that Section 7.09 shall not be applied to the Grant Anticipation Notes or any line of credit evidenced by such Grant Anticipation Notes.

Section 7.02. Bonds and Notes not to be Indebtedness of the Issuer. Neither the Bonds nor the Notes shall be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Bonds or Notes, shall ever have the right to compel the exercise of the taxing power of the Issuer to pay said Bonds or Notes or the interest thereon.

Section 7.03. Bonds Secured by Subordinate Pledge of Net Revenues; Lien Positions. The payment of the debt service of the Series 1990 A Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the operation of the System and payment of the debt service of the Series 1990 B Bonds issued hereunder shall be secured forthwith equally and ratably by a lien on said Net Revenues, but such lien shall be junior and subordinate to the lien on said Net Revenues in favor of the Holders of the Series 1990 A Bonds. The Revenues derived from the System, in an amount sufficient to pay the principal of and

interest on the Bonds and to make the payments into the Sinking Funds, including the Reserve Accounts therein, and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to the payment of the principal of and interest on the Bonds as the same become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Order of the Public Service Commission of West Virginia entered March 15, 1990 (Case No. 89-795-PSD-CN), and such rates are hereby adopted.

Section 7.05. Sale of the System. Except as otherwise required by law, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds and the Notes, if any, Outstanding, or to effectively defease this Bond Legislation in accordance with Section 10.01 hereof and, if entered into and not previously defeased, the Indenture in accordance with Section 8.01 thereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Bonds, immediately be remitted to the Commission for deposit in the Sinking Funds, 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 at maturity of and interest on the Bonds. Any balance remaining after the payment of all the Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System. With respect to the Notes, such proceeds in an amount sufficient to pay the Notes in full shall be applied to the payment of the Notes, either at maturity or, if allowable under the Supplemental Resolution and/or the Indenture, prior thereto.

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 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 derived from any such sale, lease or other disposition of such property, aggregating during such Fiscal Year in excess of $10,000 and not in excess of $50,000, shall with the written consent of the Authority, be remitted by the Issuer to the Commission for deposit in the Sinking Fund and shall be applied only to the purchase of Bonds of the last maturities then Outstanding at prices not greater than the par value thereof plus 3% of such par value or otherwise. Such payment of such proceeds into the Sinking Fund or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions 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 over 50% in amount of the Bonds then Outstanding and the Consulting Engineers. 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 in this Section 7.06 and in Section 7.07B, the Issuer shall not issue any obligations whatsoever with a lien on or otherwise payable from any source of payment pledged originally to any or all of the Notes issued under the Indenture and/or supplemental resolution prior to or on a parity with the lien on behalf of such Notes until such Notes have been defeased in accordance with the provisions of the Indenture (if an Indenture is used) and the Bond Legislation; and, so long as any of the Bonds are Outstanding, the Issuer shall not issue any other obligations whatsoever payable from any or all of the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Bonds; provided, however, that additional Bonds on a parity with the

Series 1990 B Bonds only may be issued as provided for in Section 7.07 hereof. All obligations issued by the Issuer after the issuance of the Bonds and payable from any or all of 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 1990 A Bonds and the Series 1990 B Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into the Reserve Accounts and the Renewal and Replacement Fund 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 Bonds, and the interest thereon, upon any or all of the income and revenues of the System pledged for payment of the Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

Section 7.07. Parity Bonds. A. No Parity Bonds, payable out of any or all of the revenues of the System, shall be issued after the issuance of any Bonds pursuant to this Bond Legislation, except under the conditions and in the manner herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1990 B Bonds. No Parity Bonds shall be issued which shall be payable out of any or all of the revenues of the System on a parity with the Series 1990 A Bonds, unless the Series 1990 B Bonds are no longer outstanding.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of extensions and improvements to the System or refunding one or more series of Bonds issued pursuant hereto, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, based upon the necessary investigation and certification by the Consulting Engineers, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become

due in any succeeding Fiscal Year for principal of and interest on the following:

(1) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates adopted by the Issuer, the period for appeal of which has expired prior to the date of delivery of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Consulting Engineers, which shall be filed in the office of the Secretary prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Consulting Engineers and the said Independent Certified Public Accountants, as stated in a certificate jointly made and signed by the Consulting Engineers and said Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the period for appeal of which has expired prior to issuance of such Parity Bonds.

Not later than simultaneously with the delivery of such Parity Bonds, the Issuer shall have entered into written contracts for the immediate construction or acquisition of such extensions or improvements, if any, to the System that are to be financed by 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. Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond of one

series over any other Bond of the same series. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

All Parity Bonds shall mature on the day of the years of maturities, and the semiannual interest thereon shall be payable on the days of each year, specified in a Supplemental Resolution.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on revenues of the System is subject to the prior and superior liens of the Series 1990 A Bonds and the Series 1990 B 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 1990 A Bonds or the Series 1990 B Bonds.

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

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

Section 7.08. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds or of a Note or Notes issued pursuant to this Bond Legislation and/or the Indenture or the Trustee 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 Trustee and the Authority, or any other original purchaser of the Bonds, and shall mail in each year to any Holder or Holders of Bonds or Notes, as the case may be, 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 Indenture with respect to said Bonds or Notes, as the case may be, and the status of all said funds and accounts.

(C) The amount of any Bonds, Notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of Bonds or Notes, as the case may be, and shall submit said report to the Trustee and the Authority, or any other original purchaser of the Bonds. Such audit report submitted to the Authority shall include a statement that the Issuer is in compliance with the terms and provisions of the Loan Agreement and this Bond Legislation.

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 Secretary, 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 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 reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit respectively in the Reserve Accounts and reserve accounts for obligations prior to or on a parity with the Bonds are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

Section 7.10. Operating Budget and Audit. 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 expenditures for operation and maintenance of the System during the succeeding Fiscal Year. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by the Consulting Engineers, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the 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 Trustee and the Authority and to any Holder of any Bonds or Notes, as the case may be, who shall file his or her address with the Issuer and request in writing that copies of

all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Trustee and to any Holder of any Bonds or Notes, as the case may be, or anyone acting for and in behalf of such Holder of any Bonds or Notes, as the case may be.

In addition, the Issuer shall annually cause the records of the System to be audited by an independent certified public accountant, the report of which audit shall be submitted to the Authority and which audit report shall include a statement that the Issuer is in compliance with the terms and provisions of this Bond Legislation and the Loan Agreement.

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.

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

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

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

(4) FLOOD INSURANCE, to the extent available at reasonable cost to the Issuer.

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

B. 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. 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 7.15. 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 Department 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 Department 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. Completion of Project. The Issuer will complete the Project and operate and maintain the System in good condition.

Section 7.17. 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 Original 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 Original Bonds during the term thereof is, under the terms of the Original 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 Original 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 Original Bonds during the term thereof is, under the terms of the Original 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 Original 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 Original 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 the 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 Original 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 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will timely file all statements, instruments and returns necessary to assure the tax-exempt status of the Original 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 Original Bonds will be and remain excluded 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 7.18. Statutory Mortgage Lien. For the further protection of the Holders of the Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Bonds and shall be for the equal benefit of all Holders of each respective Series of Bonds, provided however, that the statutory mortgage lien in favor of the Holders of the Series 1990 A Bonds shall be senior to the statutory mortgage lien in favor of the Holders of the Series 1990 B Bonds.

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 or the Indenture, other than the Revenue Fund, shall be invested and reinvested by the Commission, the Trustee, if any, 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, and the Indenture, if any, the need for such moneys for the purposes set forth herein and in the Indenture, if any, and the specific restrictions and provisions set forth in this Section 8.01 and in the Indenture.

Except as provided in the Indenture, if any, 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 except as otherwise provided herein with respect to the Rebate Fund. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Trustee, if any, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Trustee, if any, 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 bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Trustee, if any, and 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 on the Original Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Bonds which would cause the Original 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 Original Bonds) so that the interest on the Original Bonds will be and remain excluded from gross income for Federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Tax Certificate and Rebate. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the Original Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Original Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Authority, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder or under the Indenture, if any, and used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at

the address prescribed by the Regulations as the same may be in time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. In addition, the Issuer shall cooperate with the Authority in preparing 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. To the extent not so performed by the Authority, the Issuer and the Depository Bank (at the expense of the Issuer) may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer or the Depository Bank may deem appropriate in order to assure compliance with this Section 8.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 8.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation and certificate with respect thereto or, if the Issuer qualifies for the small governmental issue exception to rebate, or any other exception thereto, then the Issuer shall submit to the Authority a certificate stating that it is exempt from such rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Original 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.

ARTICLE IX

DEFAULT AND REMEDIES

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

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

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Notes set forth in this Bond Legislation, any supplemental resolution, the Indenture or in the Notes, 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 Trustee, any other bank or banking association holding any fund or account hereunder or a Holder of a Note; 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.

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

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

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Bonds set forth in this Bond Legislation, any supplemental resolution or in the Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, Registrar 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 Note or Bond, as the case may be, 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 Notes or Bonds, as the case may be, (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 Notes or Bonds, as the case may be, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Notes or Bonds, or the rights of such Registered Owners, provided however, that no remedy herein stated may be exercised by a Noteholder in a manner which adversely affects any remedy available to the Bondholders, and provided further, that all rights and remedies of the Holders of the Series 1990 B Bonds shall be subject to those of the Holders of the Series 1990 A Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond or Bond Anticipation Note or a Bond Anticipation Note evidencing a line of credit may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, 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 or Bond Anticipation Notes or Bond Anticipation Note evidencing such line of credit 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 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 Series 1990 A Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 1990 A Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 1990 A Bonds only, 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 1990 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Original Bonds from gross income for federal income tax purposes.

Series 1990 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 Agents 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 1990 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 1990 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 1990 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 1990 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.

Section 10.02. Defeasance of Series 1990 B Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 1990 B Bonds, the principal due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 1990 B Bonds only, 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 1990 B Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Original Bonds from gross income for federal income tax purposes.

Series 1990 B 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 Agents 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 such Series 1990 B 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 1990 B 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 said Series 1990 B 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 said Series 1990 B 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 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.

Section 10.03. Defeasance of Notes. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of any series of Notes, the principal of and interest due or to become due thereon, at the times and in the manner set forth in the Indenture and/or the Supplemental Resolution pertaining to such Notes, then with respect to such Notes only, this Bond Legislation, the Indenture, if any, and the pledges of Grant Receipts and other moneys and securities pledged thereby, and all covenants, agreements and other obligations of the Issuer to the Holders of the Notes shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Notes from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. No material modification or amendment of this Bond Legislation, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the respective rights of Registered Owners of the Notes or Bonds shall be made without the consent in writing of the Registered Owners of 66-2/3% or more in principal amount of the Notes, the Series 1990 A Bonds or the Series 1990 B Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or any Note or Notes or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein 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 Bonds or Notes respectively, 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 or Noteholder 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 on the Original Bonds and the Notes, if any, 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 Notes, 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 Resolution 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 Resolution, the Supplemental Resolution, the Indenture, if any, the Bonds or the Notes, if any.

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 orders or resolutions and or parts thereof in conflict with the provisions of this Resolution 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 Resolution 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 Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

Section 11.07. Public Notice of Proposed Financing. Prior to making formal application to the Public Service Commission of West Virginia for a Certificate of Public Convenience and Necessity and adoption of this Resolution, the Secretary of the Governing Body shall have caused to be published in a newspaper of general circulation in each municipality in Guthrie Public Service District and within the boundaries of the District, a Class II legal advertisement stating:

(a) The respective maximum amounts of the Bonds and the Notes to be issued;

(b) The respective maximum interest rates and terms of the Bonds and the Notes originally authorized hereby;

(c) The public service properties to be acquired or constructed and the cost of the same;

(d) The maximum anticipated rates which will be charged by the Issuer; and

(e) The date that the formal application for a Certificate of Public Convenience and Necessity is to be filed with the Public Service Commission of West Virginia.

Section 11.08. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 29th day of March, 1990.

Chairman, Public Service Board

Member, Public Service Board

Member, Public Service Board

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of GUTHRIE PUBLIC SERVICE DISTRICT on the 29th day of March, 1990.

Dated: March 30, 1990

[SEAL]

Secretary, Public Service Board

03/28/90
GUTJ.A3
36733/89001

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITIES, INTEREST RATES, PRINCIPAL PAYMENT SCHEDULES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1990 A AND SERIES 1990 B OF GUTHRIE PUBLIC SERVICE DISTRICT; AUTHORIZING AND APPROVING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS

WHEREAS, the Public Service Board (the "Governing Body") of Guthrie Public Service District (the "Issuer"), has duly and officially adopted a bond and notes resolution, effective March 29, 1990 (the "Bond and Notes Resolution" or the "Resolution") entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF GUTHRIE PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $1,050,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 A, NOT MORE THAN $49,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 B, AND NOT MORE THAN $1,600,000 INTERIM CONSTRUCTION FINANCING, CONSISTING OF BOND ANTICIPATION NOTES, GRANT ANTICIPATION NOTES OR A LINE OF CREDIT EVIDENCED BY NOTES OR ANY COMBINATION OF THE FOREGOING; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS AND NOTES; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE NOTES; APPROVING AND RATIFYING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS

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

WHEREAS, the Bond and Notes Resolution provides for the issuance of Sewer Revenue Bonds of the Issuer (the "Bonds"), in an aggregate principal amount not to exceed $1,099,000, to be issued in two series, the Series 1990 A Bonds to be in an aggregate principal amount of not more than $1,050,000 (the "Series 1990 A Bonds") and the Series 1990 B Bonds to be in an aggregate principal amount of not more than $49,000 (the "Series 1990 B Bonds"), and has preliminarily authorized the execution and delivery of a loan agreement relating to the Series 1990 A Bonds dated March 30, 1990, and a supplemental loan agreement relating to the Series 1990 B Bonds, also dated March 30, 1990 (sometimes collectively referred to herein as the "Loan Agreement"), both by and between the Issuer and West Virginia Water Development Authority (the "Authority"), all in accordance with Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"); and in the Bond and Notes Resolution it is provided that the form of the Loan Agreement and the exact principal amounts, maturity dates, interest rates, interest and principal payment dates, sale prices 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 approved and entered into by the Issuer, that the exact principal amounts, the prices, the maturity dates, the redemption provisions, the interest rates and the interest and principal payment dates 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 GUTHRIE PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Bond and Notes Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued:

(A) The Sewer Revenue Bonds, Series 1990 A, of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $878,695. The Series 1990 A Bonds shall be dated the date of delivery thereof, shall finally mature October 1, 2029, shall bear interest at the rate of 7.85% per annum, payable semiannually on April 1 and October 1 of each year, first interest payable October 1, 1990, shall be subject to redemption upon the written consent of the Authority, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, as long as the Authority shall be the registered owner of the Series 1990 A Bonds, and shall be payable in installments of principal on October 1 of each of the years and in the amounts as set forth in "Schedule X," attached thereto and to the Loan Agreement and incorporated therein by reference.

(B) The Sewer Revenue Bonds, Series 1990 B, of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of $41,005. The Series 1990 B Bonds shall be dated the date of delivery thereof, shall finally mature October 1, 2029, shall be interest free, shall be subject to redemption upon the written consent of the Authority, and otherwise in compliance with the Loan Agreement, as long as the Authority shall be the registered owner of the Series 1990 B Bonds, and shall be payable in installments of principal on October 1 of each of the years and in the amounts as set forth in "Schedule X," attached thereto and to the Supplemental Loan Agreement and incorporated therein by reference.

Section 2. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the forms provided in the Bond and Notes Resolution.

Section 3. The Issuer does hereby authorize, approve and accept the Loan Agreement, copies of which are incorporated herein by reference, and the execution and delivery by the Chairman of the Loan Agreement, and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 4. The Issuer does hereby appoint and designate One Valley Bank, National Association, Charleston, West Virginia, as Registrar for the Bonds and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and One Valley Bank, National Association, in substantially the form attached hereto, and the execution and delivery by the Chairman of the Registrar's Agreement, 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 direct the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds.

Section 6. The Issuer does hereby appoint One Valley Bank, National Association, Charleston, West Virginia, as Depository Bank under the Bond and Notes Resolution.

Section 7. Series 1990 A Bonds proceeds in the amount of $80,500 shall be deposited in the Series 1990 A Bonds Sinking Fund as capitalized interest

Section 8. Series 1990 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 1990 A Bonds Reserve Account and Series 1990 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 1990 B Bonds Reserve Account.

Section 9. The remaining proceeds of the Bonds shall be deposited in the Bond Construction Trust Fund for payment of Costs of the Project, including repayment of any temporary bank loans or Authority advances made or incurred with respect to the Project and payment of costs of issuance of the Bonds.

Section 10. The Issuer hereby determines to pay, on the date of delivery of the Bonds and receipt of proceeds thereof, all borrowings of the Issuer heretofore incurred for the purpose of temporarily financing a portion of the Costs of the Project, including, but not limited to, all borrowings from West Virginia Water Development Authority.

Section 11. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds hereby and by the Bond and Notes Resolution approved and provided for, to the end that the Bonds may be delivered to the Authority pursuant to the Loan Agreement on or about March 30, 1990.

Section 12. 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 13. The Issuer hereby determines that it is in the best interest of the Issuer to invest all moneys in the funds and accounts established by the Bond and Notes Resolution held by the Depository Bank in repurchase agreements with maturities not exceeding thirty days, or, if unavailable, such moneys not invested in repurchase agreements shall be invested in time accounts secured by a pledge of Government Obligations with the Depository Bank, 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 and/or time accounts, until further directed by the Issuer. Moneys in the Sinking Funds for the Bonds shall be invested by the Municipal Bond Commission in the West Virginia restricted 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 the temporary and permanent 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 promulgated or to be promulgated thereunder.

Section 15. The Issuer elects to have Section 148(f)(4)(B)(iv)(V) of the Code apply to the Bonds and agrees to pay the penalty prescribed under such Section 148(f)(4)(B)(iv)(V) of the Code, in either case from lawfully available sources.

Section 16. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 29th day of March, 1990.

GUTHRIE PUBLIC SERVICE DISTRICT

Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of GUTHRIE PUBLIC SERVICE DISTRICT on the 29th day of March, 1990.

Dated: March 30, 1990.

[SEAL]

Secretary, Public Service Board

03/29/90
GUTJ.B5
36733/89001

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, NEW JERSEY 07016

EO 11-10

WDA-5
(February 1990)

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"), and the governmental agency designated below (the "Governmental Agency").

GUTHRIE PUBLIC SERVICE DISTRICT
(Name of Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 20, Article 5C, of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered to make loans to governmental agencies for the acquisition or construction of water development projects by such governmental agencies and to issue water development revenue bonds of the State of West Virginia (the "State") to finance, in whole or in part, by loans to governmental agencies, one or more water development projects, all subject to such provisions and limitations as are contained in the Act;

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

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

WHEREAS, the Governmental Agency intends to construct, is constructing or has constructed such a water development 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 Section 5 of the Act and having available sufficient funds therefor, the Authority is willing 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 proceeds of certain water development revenue bonds of the State issued by the Authority pursuant to and in accordance with the provisions of the Act and a certain general revenue bond resolution adopted by the Board of the Authority (the "General Resolution"), as supplemented, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Authority's water development 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," "water development revenue bond," "cost," governmental agency," "water development project," "wastewater facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

1.2 "Consulting Engineers" means the consulting engineer designated in the Application and any successor thereto.

1.3 "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.

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

1.5 "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 with a portion of the proceeds of its water development revenue bonds, all in accordance with the provisions of this Loan Agreement.

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

1.7 "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.

1.8 "Project" means the water development 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 or being or having been constructed by the Governmental Agency in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

1.9 "System" means the water development 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.

1.10 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 having found, to the extent applicable, that the Project is consistent with the applicable comprehensive plan of water management approved by the Director of the West Virginia Department of Natural Resources (or in the process of preparation by such Director), has been approved by the West Virginia Department of Health and is consistent with the standards set by the West Virginia Water Resources Board for the waters of the State affected thereby.

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or other security interest as is provided for in the Local Statute.

2.4 The Governmental Agency agrees that the Authority and its duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Governmental Agency further agrees that the Authority and its duly authorized agents 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 in respect of the System pursuant to the pertinent provisions of the Act.

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

2.6 The Governmental Agency agrees that it will permit the Authority and its agents 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.

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority. Until the Project facilities are completed

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

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

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

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

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

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

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

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

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

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

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

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

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

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

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

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

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

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

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Authority for loans to finance water development projects and that the obligation of the Authority to make any such loan is subject to the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing and to the right of the Authority to make such loans to other governmental agencies as in the aggregate will permit the fullest and most timely utilization of such proceeds to enable the Authority to pay debt service on the water development revenue bonds issued by it. The Governmental Agency specifically recognizes that the Authority will not execute this Loan Agreement unless and until it has available funds sufficient to purchase all the Local Bonds and that, prior to such execution, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available. The Governmental Agency further specifically recognizes that during the last 90 days of a period to originate Loans from its water development revenue bond proceeds, the Authority may execute Loan Agreements, commit moneys and close Local Bond sales in such order and manner as it deems in the best interest of the Program.

ARTICLE IV

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

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official

action of the Governmental Agency in accordance with the Local Statute, which shall, as enacted, contain provisions and covenants in substantially the form as follows:

(a) That the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as set forth on Schedule Y attached hereto and incorporated herein by reference. The gross revenues of the System shall always be used for purposes of the System.

(b) Covenants substantially as follows:

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

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

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

(iv) That, except as otherwise required by State law, 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; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

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

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

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

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

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant and shall submit the report of said audit to the Authority, which report shall include a statement that the Governmental Agency is in compliance with the terms and provisions of the Local Act and this Loan Agreement;

(xii) That the Governmental Agency shall annually adopt a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year;

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

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

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

(xvii) That the Governmental Agency shall take any and all action, or shall refrain from taking any action, as shall be deemed necessary by the Authority to maintain the exclusion from gross income for Federal income tax purposes of interest on the Authority's water development revenue bonds.

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

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

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

4.4 The Loan shall bear interest from the date of the delivery to the Authority of the Local Bonds until the date of payment thereof, 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 pay from time to time, as required by the Authority, the Governmental Agency's allocable share of the reasonable administrative expenses of the Authority relating to the Program. Such administrative expenses shall be as determined by the Authority and shall include without limitation Program expenses, legal fees paid by the Authority and fees paid to the trustee and paying agents for the water development revenue bonds. The Authority shall provide both the Governmental Agency and the trustee for the water development revenue bonds with a schedule of such fees and charges, and the Governmental Agency shall pay such fees and charges on the dates indicated directly to the trustee. The Governmental Agency hereby specifically authorizes the Authority to exercise the powers granted it by Section 9.06 of the General Resolution.

4.7 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the Authority's bonds.

4.8 As long as the Authority is the owner of any of the Local Bonds outstanding, the Governmental Agency shall not redeem any of such Local Bonds outstanding without the written consent of the Authority, and any such redemption of Local Bonds authorized by the Authority shall provide for the payment

of interest to the first allowable redemption date for the applicable water development revenue bonds, the redemption premium payable on the applicable water development revenue bonds redeemable as a consequence of such redemption of Local Bonds and the costs and expenses of the Authority in effecting any such redemption, all as further prescribed by Section 9.11 of the General Resolution. Nothing in this Loan Agreement shall be construed to prohibit the Authority from refunding applicable water development revenue bonds, and such refunding need not be based upon or result in any benefit to the Governmental Agency.

ARTICLE V

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

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

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

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

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency, the Authority may exercise any or all of the rights and powers granted under Section 6a of the Act, including without limitation the right to impose, enforce and collect directly charges upon users of the System.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby acknowledges to the Authority its understanding of the provisions of the Act, vesting in the Authority certain powers, rights and privileges with respect to water development projects in the event of default by governmental agencies in the terms and covenants of loan agreements, and the Governmental Agency hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Governmental Agency shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Loan Agreement.

6.2 At the option of the Authority, the Governmental Agency shall issue and sell to the Authority additional, subordinate bonds to evidence the Governmental Agency's obligation to repay to the Authority any grant received by the Governmental Agency from the Authority in excess of the amount to which the Governmental Agency is entitled pursuant to applicable policies or rules and regulations of the Authority. Also at the option of the Authority, the Governmental Agency may issue and sell to the Authority additional, subordinate bonds for such purposes as may be acceptable to the Authority.

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

6.4 The Governmental Agency hereby agrees to repay on or prior to the Date of Loan Closing any moneys due and owing by it to the Authority for the planning or design of the Project, and such repayment shall be a condition precedent to the Authority's making the Loan.

6.5 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.

6.6 Notwithstanding Section 6.5, 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.

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

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

ARTICLE VII

Miscellaneous

7.1 Additional definitions, additional terms and provisions of the Loan and additional covenants and agreements of the Governmental Agency are 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 Schedule X 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.

7.3 If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement, and this

Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

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

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

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

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

7.8 This Loan Agreement shall terminate upon the earlier of:

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

(ii) termination by the Authority pursuant to Section 6.3 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.

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.

Guthrie Public Service District
[Proper Name of Governmental Agency]

(SEAL)

By Erick L. Hunyant
Its Chairman

Attest:

Date: March 30, 1990

Robert Wayne Taylor
Its Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By Daniel B. Yankoskey
Director

Attest:

Date: March 30, 1990

Barbara B. Meadows
Secretary-Treasurer

WDA-5X
(March 1988)

SCHEDULE X
DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $ 878,695.00

Purchase Price of Local Bonds $ 878,695.00

Interest on the Local Bonds is payable on April 1 and October 1 in each year, beginning with the first semiannual interest payment date after delivery of the Local Bonds to the Authority, until the Local Bonds are paid in full, at the rate of 7.85 % per annum. Principal of the Local Bonds is payable on October 1 in each year as set forth on Exhibit 1 attached hereto and incorporated herein by reference.

As of the date of the Loan Agreement, the Local Bonds are on a parity as to source of and security for payment with the following obligations:

As of the date of the Loan Agreement, the Local Bonds are subordinate as to source of and security for payment to the following obligations:

Guthrie Public Service District
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 30-Mar-90

Date	Coupon	Principal	Interest	Debt Service 7.85% Bonds
01-Oct-90			34,680.38	34,680.38
01-Oct-91	7.85%	3,820.00	68,977.56	72,797.56
01-Oct-92	7.85%	4,121.00	68,677.69	72,798.69
01-Oct-93	7.85%	4,444.00	68,354.19	72,798.19
01-Oct-94	7.85%	4,793.00	68,005.34	72,798.34
01-Oct-95	7.85%	5,169.00	67,629.08	72,798.08
01-Oct-96	7.85%	5,575.00	67,223.32	72,798.32
01-Oct-97	7.85%	6,013.00	66,785.68	72,798.68
01-Oct-98	7.85%	6,484.00	66,313.66	72,797.66
01-Oct-99	7.85%	6,993.00	65,804.67	72,797.67
01-Oct-2000	7.85%	7,542.00	65,255.72	72,797.72
01-Oct-2001	7.85%	8,135.00	64,663.67	72,798.67
01-Oct-2002	7.85%	8,773.00	64,025.07	72,798.07
01-Oct-2003	7.85%	9,462.00	63,336.39	72,798.39
01-Oct-2004	7.85%	10,205.00	62,593.62	72,798.62
01-Oct-2005	7.85%	11,006.00	61,792.53	72,798.53
01-Oct-2006	7.85%	11,870.00	60,928.56	72,798.56
01-Oct-2007	7.85%	12,801.00	59,996.77	72,797.77
01-Oct-2008	7.85%	13,806.00	58,991.89	72,797.89
01-Oct-2009	7.85%	14,890.00	57,908.12	72,798.12
01-Oct-2010	7.85%	16,059.00	56,739.25	72,798.25
01-Oct-2011	7.85%	17,320.00	55,478.62	72,798.62
01-Oct-2012	7.85%	18,679.00	54,119.00	72,798.00
01-Oct-2013	7.85%	20,146.00	52,652.70	72,798.70
01-Oct-2014	7.85%	21,727.00	51,071.24	72,798.24
01-Oct-2015	7.85%	23,433.00	49,365.67	72,798.67
01-Oct-2016	7.85%	25,272.00	47,526.18	72,798.18
01-Oct-2017	7.85%	27,256.00	45,542.32	72,798.32
01-Oct-2018	7.85%	29,395.00	43,402.73	72,797.73
01-Oct-2019	7.85%	31,703.00	41,095.22	72,798.22
01-Oct-2020	7.85%	34,192.00	38,606.54	72,798.54
01-Oct-2021	7.85%	36,876.00	35,922.46	72,798.46
01-Oct-2022	7.85%	39,770.00	33,027.70	72,797.70
01-Oct-2023	7.85%	42,892.00	29,905.75	72,797.75
01-Oct-2024	7.85%	46,259.00	26,538.73	72,797.73
01-Oct-2025	7.85%	49,891.00	22,907.40	72,798.40
01-Oct-2026	7.85%	53,807.00	18,990.96	72,797.96
01-Oct-2027	7.85%	58,031.00	14,767.11	72,798.11
01-Oct-2028	7.85%	62,586.00	10,211.67	72,797.67
01-Oct-2029	7.85%	67,499.00	5,298.67	72,797.67
		878,695.00	1,995,113.83	2,873,808.83

SCHEDULE Y
REVENUES

In accordance with Subsection 4.1(a) of the Loan Agreement, the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as follows:

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by an outstanding local resolution, indenture or other act or document, as reflected on Schedule X to the Loan Agreement, and beginning seven (7) months prior to the first date of payment of interest on the Local Bonds from revenues and thirteen (13) months prior to the first date of payment of principal of the Local Bonds, respectively, to provide debt service on the Local Bonds by depositing in a sinking fund one-sixth (1/6) of the interest payment next coming due on the Local Bonds and one-twelfth (1/12) of the principal payment next coming due on the Local Bonds and, if 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) in an amount equal to the Reserve Requirement, by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) (or such other amount as shall be acceptable to the Authority and as shall fund the Reserve Account over not more than 10 years) 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;

(iv) to provide debt service on and requisite reserves for any subordinate indebtedness of the Governmental Agency held or owned by the Authority; and

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

SCHEDULE Z

Additional and Supplemental Definitions

1. "EPA" means the United States Environmental Protection Agency and any successors to the functions thereof.

2. "Local Statute" means Chapter 16, Article 13A, of the Code of West Virginia, 1931, as amended.

3. "System" means the public service properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, owned by the Governmental Agency, and any improvements or extensions thereto hereafter constructed or acquired from any sources whatsoever and includes the Project.

Additional Conditions and Covenants

1. The Governmental Agency agrees that it will at all times provide operation and maintenance of the System to comply with, among other State and federal standards, the water quality standards established by the West Virginia Department of Natural Resources and EPA.

2. The Governmental Agency agrees that it will permit the EPA 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.

3. As a condition precedent to the Authority's making the Loan, the Governmental Agency shall have obtained, among other permits required, permits from the EPA and the West Virginia Department of Natural Resources and approval of the "Part B" supplement to its EPA grant agreement.

4. The Local Act shall contain a covenant substantially as follows:

> That the Governmental Agency will, to the full extent permitted by applicable law and the rules and regulations of the PSC, discontinue and shut off the services and facilities of the System and, in the

event the Governmental Agency owns a water facility (the "Water System"), the Water System to all users of services of the System delinquent in payment of charges for the services of the System and will not restore the services of either system until all delinquent charges for the services of the System have been fully paid.

5. To the extent required by law, the Governmental Agency hereby covenants and agrees to secure approval of the Authority and all other State agencies having jurisdiction before applying for federal financial assistance for pollution abatement in order to maximize the amounts of such federal financial assistance received or to be received for all water development projects in the State.

6. Subject to any prior or parity obligations described in Schedules X and Y attached to the Loan Agreement, the net revenues derived from the operation of the System are pledged to the payment of the principal of and interest on the Local Bonds.

7. The paying agent for the Local Bonds shall be the West Virginia Municipal Bond Commission or any successor to the functions thereof.

8. As a condition precedent to the Authority's making the Loan, the Governmental Agency shall deliver to the Authority a certificate representing the following:

(a) The Governmental Agency expects to enter into a contract within six months of the date thereof for the construction of the Project, and the amount to be expended pursuant to such contract exceeds the lesser of 2-1/2 percent of the estimated total Project cost financed with proceeds from the sale of the Local Bonds or $100,000;

(b) Work with respect to the construction of the Project will proceed with due diligence to completion. Construction is expected to be completed within three years from the date of issuance of the Authority's water development revenue bonds;

(c) All of the proceeds from the sale of the Local Bonds which will be used for payment of costs of the Project will be expended for such purpose within three years from the date of issuance of the Authority's water development revenue bonds; and

(d) The Governmental Agency does not expect to sell or otherwise dispose of the Project, in whole or in part, prior to the last maturity date of the Local Bonds.

WDA-Supp. 5
(March 1988)

SUPPLEMENTAL LOAN AGREEMENT

THIS SUPPLEMENTAL 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"), and the governmental agency designated below (the "Governmental Agency").

GUTHRIE PUBLIC SERVICE DISTRICT
(Name of Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 20, Article 5C, of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered to make loans to governmental agencies for the acquisition or construction of water development projects by such governmental agencies and to issue water development revenue bonds of the State of West Virginia (the "State") to finance, in whole or in part, by loans to governmental agencies, one or more water development projects, all subject to such provisions and limitations as are contained in the Act;

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

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

WHEREAS, the Governmental Agency intends to construct, is constructing or has constructed such a water development 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;

WHEREAS, on or prior to the date hereof, the Governmental Agency and the Authority entered a loan agreement with respect to the purchase by the Authority of certain Local Bonds of the Governmental Agency, all as more specifically described in Exhibit A attached hereto and incorporated herein by reference (the "Loan Agreement"); and

WHEREAS, having reviewed the Application and made all findings required by Section 5 of the Act, and having available sufficient funds therefor, the Authority is willing to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of supplemental, subordinate revenue bonds of the Governmental Agency with certain available funds of the Authority (other than the proceeds of certain water development revenue bonds of the State issued by the Authority pursuant to and in accordance with the provisions of the Act and a certain general revenue bond resolution adopted by the Board of the Authority, as supplemented), subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Authority's supplemental water development loan program (the "Supplemental 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; Loan Agreement

1.1 Capitalized terms used and not otherwise defined herein shall have the meanings respectively given them by the Loan Agreement.

1.2 Except where the context clearly indicates otherwise, the terms "Authority," "water development revenue bond," "cost," "governmental agency," "water development project," "wastewater facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

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

1.4 "Supplemental Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, to evidence the Supplemental Loan, as hereinafter defined, and to be purchased by the Authority with certain available funds (other than the proceeds of its water development revenue bonds), the lien of which on the revenues

of the System is junior, subordinate and inferior to that of the Local Bonds, all in accordance with the provisions of this Supplemental Loan Agreement.

1.5 "Supplemental Loan" means the loan to be made by the Authority to the Governmental Agency through the purchase of Supplemental Bonds pursuant to this Supplemental Loan Agreement.

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

1.7 This Supplemental Loan Agreement is supplemental to the Loan Agreement, the terms of which are incorporated herein by reference.

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 having found, to the extent applicable, that the Project is consistent with the applicable comprehensive plan of water management approved by the Director of the West Virginia Department of Natural Resources (or in the process of preparation by such Director), has been approved by the West Virginia Department of Health and is consistent with the standards set by the West Virginia Water Resources Board for the waters of the State affected thereby.

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or other security interest as is provided for in the Local Statute.

2.4 The Governmental Agency agrees that the Authority and its duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Governmental Agency further agrees that the Authority and its duly authorized agents 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 in respect of the System pursuant to the pertinent provisions of the Act.

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

2.6 The Governmental Agency agrees that it will permit the Authority and its agents 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.

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

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

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

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

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

2.11 The Governmental Agency hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by 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.

ARTICLE III

Conditions to Supplemental Loan; Issuance of Supplemental Bonds

3.1 The agreement of the Authority to make the Supplemental Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority, of each and all of those certain conditions precedent on or before the delivery date for the Supplemental Bonds, which shall be the

date established pursuant to Section 3.4 of the Loan Agreement for delivery of the Local Bonds. 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 Supplemental Loan Agreement;

(b) The Governmental Agency shall have authorized the issuance of and delivered to the Authority for purchase the Supplemental Bonds described in this Article III and in Article IV hereof and shall have delivered to the Authority for purchase the Local Bonds in accordance with the Loan Agreement;

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

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

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

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

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such

rates and charges is not, however, required to be effective until completion of construction of the Project), and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

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

(i) The net proceeds of the Supplemental Bonds, together with the net proceeds of the Local Bonds and all other 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) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of water development projects and satisfactory to the Authority, to such effect, such certificate to be in form and substance satisfactory to the Authority, and evidence satisfactory to the Authority of such irrevocably committed grants.

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

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

3.4 The Supplemental Loan will be made only in conjunction with the Loan. The Supplemental Bond shall be delivered to the Authority, at the offices of the Authority,

simultaneously with the delivery of the Local Bond to the Authority.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Authority for loans to finance water development projects and that the obligation of the Authority to make any such loan is subject to the Governmental Agency's fulfilling all of the terms and conditions of this Supplemental Loan Agreement and the Loan Agreement on or prior to the Date of Loan Closing and to the right of the Authority to make such loans to other governmental agencies under the conditions and in the manner described in the Loan Agreement. The Governmental Agency further understands and acknowledges that the Authority's obligation to make the Supplemental Loan is subject to the availability on the Date of Loan Closing of funds legally available therefor.

3.6 Anything in this Loan Agreement notwithstanding, if the Authority is unable to pay the proceeds of the Supplemental Bonds to the Governmental Agency on the Date of Loan Closing due to the time required for processing the purchase order or requisition for such moneys with the State, the Authority may pay such proceeds as soon as received after the Date of Loan Closing; provided, that the Supplemental Bonds shall not evidence any debt to be repaid to the Authority until the proceeds thereof are received by the Governmental Agency.

ARTICLE IV

Supplemental Bonds; Security for Supplemental Loan; Repayment of Supplemental Loan; No Interest on Supplemental Loan; Fees and Charges

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

(a) That the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as set forth on Schedule Y attached hereto and incorporated herein by reference. The gross revenues of the System shall always be used for purposes of the System.

(b) Covenants substantially as follows:

(i) That the Supplemental Bonds shall be secured by the gross or net revenues from the System, as more fully set forth in Schedules X and Y attached hereto, subject to the prior and senior security therefrom granted to the Local Bonds;

(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 the Supplemental 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 the Supplemental Bonds or, if the reserve accounts established for the payment of debt service on the Local Bonds (the "Reserve Account") and for the payment of debt service on the Supplemental Bonds (the "Supplemental Reserve Account") are funded (whether by bond proceeds, monthly deposits or otherwise), respectively, at an amount at least equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement") or on the Supplemental Bonds in the then current or any succeeding year (the "Supplemental Reserve Requirement"), as the case may be, 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 the Supplemental Bonds and any such prior or parity obligations;

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

(iv) That, except as otherwise required by State law, 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 and Supplemental 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 Supplemental Bonds, except the Local Bonds and bonds on a parity with the Supplemental Bonds, which parity bonds 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 Supplemental Bonds and parity bonds theretofore and then being issued and on the Local Bonds and any other obligations secured by a lien on or payable from the revenues of the System prior to the Supplemental Bonds; provided, however, that additional parity Local Bonds and additional parity Supplemental Bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

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

(viii) That any Supplemental Bond owner may, by proper legal action, compel the performance of the duties of the Governmental Agency under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Supplemental 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, subject to the prior and senior rights of the owner or owners of the Local Bonds;

(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 and shall submit the report of said audit to the Authority, which report shall include a statement that the Governmental Agency is in compliance with the terms and provisions of the Local Act and this Supplemental Loan Agreement;

(xii) That the Governmental Agency shall annually adopt a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year;

(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 Supplemental Bonds, except any proceeds deposited in the Reserve Account or the Supplemental Reserve Account, must be deposited in a construction fund on which the owners of the Supplemental Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing for non-construction costs); provided, that said construction fund may be the one established for the Local Bonds, which shall have a prior and senior lien thereon, but shall otherwise be kept separate and apart from all other funds of the Governmental Agency; and

(xv) That, as long as the Authority is the owner of any of the Supplemental Bonds, the Governmental Agency shall not authorize redemption of any Supplemental Bonds by it without the written consent of the Authority.

The Governmental Agency hereby represents and warrants that the Local Act has been or shall be duly adopted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization, issuance, sale and delivery of the Supplemental 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 Supplemental 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 the prior and senior security therefrom for the Local Bonds and to such reservations and exceptions as are described in Schedules X and Y hereto or are otherwise expressly permitted in writing by the Authority.

4.3 The principal of the Supplemental Loan shall be repaid by the Governmental Agency annually on the day and in the years provided in Schedule X hereto.

4.4 The Supplemental Loan shall not bear interest.

4.5 The Supplemental 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.

4.6 The Governmental Agency agrees to pay from time to time, as required by the Authority, the Governmental Agency's allocable share of the reasonable administrative expenses of the Authority relating to the Supplemental Program, which administrative expenses shall be as determined by the Authority and shall include, but not be limited to, legal fees paid by the Authority.

4.7 If the schedule furnished to the Authority pursuant to Section 6.5 reflects an excess of funding for the Project, or if the Authority is otherwised advised of an excess of funding for the Project, the Authority may tender to the Governmental Agency its Supplemental Bonds for payment in an amount equal to such excess. Notwithstanding the foregoing, if the Governmental Agency has grant anticipation notes or some other interim financing outstanding upon completion of construction of the Project, it shall advise the Authority of such fact and submit a second schedule to the Authority upon payment of the interim financing, and the Authority shall not tender its Supplemental Bonds for payment until the outstanding interim financing has been paid.

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 Supplemental 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 Supplemental Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System, as set forth in the Local Act and in compliance with the provisions of Subsection 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 and the Supplemental Bonds shall prove to be insufficient to produce the minimum sums set

forth in the Local Act, the Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges so as to provide funds sufficient to produce the minimum sums set forth in the Local Act and as required by this Supplemental Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment of any fees due to the Authority pursuant to Section 4.6 hereof, the amount of such default shall bear interest at the rate of five percent (5%) per annum, 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 Section 6a of the Act, including without limitation the right to impose, enforce and collect directly charges upon users of the System.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby acknowledges to the Authority its understanding of the provisions of the Act, vesting in the Authority certain powers, rights and privileges with respect to water development projects in the event of default by governmental agencies in the terms and covenants of loan agreements, and the Governmental Agency hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Governmental Agency shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Supplemental Loan Agreement.

6.2 The Governmental Agency hereby warrants and represents that all information provided to the Authority in this Supplemental Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time provided, 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 Supplemental Loan and receiving the Supplemental Bonds, the Authority shall have the right to cancel all or any of its obligations under this Supplemental Loan Agreement if (a) any representation made to

the Authority by the Governmental Agency in connection with the Loan or the Supplemental 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 Loan Agreement or this Supplemental Loan Agreement.

6.3 The Governmental Agency hereby agrees to repay on or prior to the Date of Loan Closing any moneys due and owing by it to the Authority for the planning or design of the Project, and such repayment shall be a condition precedent to the Authority's making the Supplemental Loan.

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

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

ARTICLE VII

Miscellaneous

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

7.2 Schedule X shall be attached to this Supplemental 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.

7.3 If any provision of this Supplemental 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 Supplemental Loan Agreement, and this Supplemental Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.4 This Supplemental 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 Supplemental Loan Agreement.

7.5 No waiver by either party of any term or condition of this Supplemental 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 Supplemental Loan Agreement.

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

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

7.8 This Supplemental Loan Agreement shall terminate upon the earlier of:

(i) termination by the Authority of the Loan Agreement pursuant to Subsections 7.8(i) or (ii) thereof;

(ii) termination by the Authority pursuant to Section 6.2 hereof; or

(iii) payment in full of the principal of the Supplemental Loan and of any fees and charges owed by the Governmental Agency to the Authority.

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

Guthrie Public Service District
[Proper Name of Governmental Agency]

(SEAL)

By _____
Its Chairman

Attest:

Date: March 30, 1990

_____
Its Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By _____
Director

Attest:

Date: March 30, 1990

_____
Secretary-Treasurer

WDA-Supp. 5X
(March 1988)

SCHEDULE X
DESCRIPTION OF SUPPLEMENTAL BONDS

Principal Amount of Supplemental Bonds	$ 41,005.00
Purchase Price of Supplemental Bonds	$ 41,005.00

Principal of the Supplemental Bonds is payable on October 1 in each year as set forth on Exhibit 1 attached hereto and incorporated herein by reference. The Supplemental Bonds bear no interest.

As of the date of the Supplemental Loan Agreement, the Supplemental Bonds are on a parity as to source of and security for payment with the following obligations:

As of the date of the Supplemental Loan Agreement, the Supplemental Bonds are subordinate as to source of and security for payment to the following obligations, in addition to the Local Bonds:

Guthrie Public Service District
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 30-Mar-90

Date	Interest Free Loan
01-Oct-90	
01-Oct-91	1,051.42
01-Oct-92	1,051.41
01-Oct-93	1,051.41
01-Oct-94	1,051.41
01-Oct-95	1,051.41
01-Oct-96	1,051.41
01-Oct-97	1,051.41
01-Oct-98	1,051.41
01-Oct-99	1,051.41
01-Oct-2000	1,051.41
01-Oct-2001	1,051.41
01-Oct-2002	1,051.41
01-Oct-2003	1,051.41
01-Oct-2004	1,051.41
01-Oct-2005	1,051.41
01-Oct-2006	1,051.41
01-Oct-2007	1,051.41
01-Oct-2008	1,051.41
01-Oct-2009	1,051.41
01-Oct-2010	1,051.41
01-Oct-2011	1,051.41
01-Oct-2012	1,051.41
01-Oct-2013	1,051.41
01-Oct-2014	1,051.41
01-Oct-2015	1,051.41
01-Oct-2016	1,051.41
01-Oct-2017	1,051.41
01-Oct-2018	1,051.41
01-Oct-2019	1,051.41
01-Oct-2020	1,051.41
01-Oct-2021	1,051.41
01-Oct-2022	1,051.41
01-Oct-2023	1,051.41
01-Oct-2024	1,051.41
01-Oct-2025	1,051.41
01-Oct-2026	1,051.41
01-Oct-2027	1,051.41
01-Oct-2028	1,051.41
01-Oct-2029	1,051.41
	41,005.00

SCHEDULE Y
REVENUES

In accordance with Subsection 4.1(a) of the Supplemental Loan Agreement, the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as follows:

(i) as prescribed by the Loan Agreement, to pay Operating Expenses of the System;

(ii) as prescribed by the Loan Agreement, to the extent not otherwise limited by an outstanding local resolution, indenture or other act or document, as reflected on Schedule X to the Loan Agreement, and beginning seven (7) months prior to the first date of payment of interest on the Local Bonds from revenues and thirteen (13) months prior to the first date of payment of principal of the Local Bonds, respectively, to provide debt service on the Local Bonds by depositing in a sinking fund one-sixth (1/6) of the interest payment next coming due on the Local Bonds and one-twelfth (1/12) of the principal payment next coming due on the Local Bonds and, if 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) in an amount equal to the Reserve Requirement, by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) (or such other amount as shall be acceptable to the Authority and as shall fund the Reserve Account over not more than 10 years) 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) as prescribed by the Loan Agreement, 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;

(iv) beginning thirteen (13) months prior to the first date of payment of principal of the Supplemental Bonds, to provide debt service on the Supplemental Bonds by

depositing in a sinking fund one-twelfth (1/12) of the principal payment next coming due on the Supplemental Bonds and, if the Supplemental Reserve Account was not funded concurrently with the issuance thereof in an amount equal to the Supplemental Reserve Requirement, by depositing in the Supplemental Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) (or such other amount as shall be acceptable to the Authority and as shall fund the Reserve Account over not more than 10 years) of the Supplemental Reserve Requirement or, if the Supplemental Reserve Account has been so funded (whether by Supplemental Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Supplemental Reserve Account at the Supplemental Reserve Requirement;

(v) to provide debt service on and requisite reserves for any other subordinate indebtedness of the Governmental Agency held or owned by the Authority; and

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

SCHEDULE Z

Additional and Supplemental Definitions

1. "EPA" means the United States Environmental Protection Agency and any successors to the functions thereof.

2. "Local Statute" means Chapter 16, Article 13A, of the Code of West Virginia, 1931, as amended.

3. "System" means the public service properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, owned by the Governmental Agency, and any improvements or extensions thereto hereafter constructed or acquired from any sources whatsoever and includes the Project.

Additional Conditions and Covenants

1. The Governmental Agency agrees that it will at all times provide operation and maintenance of the System to comply with, among other State and federal standards, the water quality standards established by the West Virginia Department of Natural Resources and EPA.

2. The Governmental Agency agrees that it will permit the EPA 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.

3. As a condition precedent to the Authority's making the Supplemental Loan, the Governmental Agency shall have obtained, among other permits required, permits from the EPA and the West Virginia Department of Natural Resources and approval of the "Part B" supplement to its EPA grant agreement.

4. The Local Act shall contain a covenant substantially as follows:

> That the Governmental Agency will, to the full extent permitted by applicable law and the rules and regulations of the PSC, discontinue and shut off the services and facilities of the System and, in the event the Governmental Agency owns a water facility (the "Water System"), the

Water System to all users of services of the System delinquent in payment of charges for the services of the System and will not restore the services of either system until all delinquent charges for the services of the System have been fully paid.

5. To the extent required by law, the Governmental Agency hereby covenants and agrees to secure approval of the Authority and all other State agencies having jurisdiction before applying for federal financial assistance for pollution abatement in order to maximize the amounts of such federal financial assistance received or to be received for all water development projects in the State.

6. Subject to any prior or parity obligations described in Schedules X and Y attached to the Supplemental Loan Agreement, and to the prior lien of the Local Bonds, the net revenues derived from the operation of the System are pledged to the payment of the principal of the Supplemental Bonds.

7. The paying agent for the Supplemental Bonds shall be the West Virginia Municipal Bond Commission or any successor to the functions thereof.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: March 15, 1990

CASE NO. 89-795-PSD-CN

GUTHRIE PUBLIC SERVICE DISTRICT,
a public utility, Charleston,
Kanawha County.
Application for a certificate of convenience and necessity to construct and operate a collection and transportation system for the disposal of sewerage at Guthrie, Kanawha County.

FINAL ORDER

On November 29, 1989, Guthrie Public Service District, a public utility, Charleston, Kanawha County, filed a duly verified application for a certificate of convenience and necessity to construct and operate a sewage collection and transportation system to serve the area of Guthrie, Kanawha County. As submitted, Guthrie Public Service District proposed to construct two (2) pumping stations, 7,638 linear feet of 6-inch sewer pipe, 24,540 linear feet of 8-inch sewer pipe, 5,400 linear feet of 10-inch sewer pipe, 1,940 linear feet of 12-inch sewer pipe, 1,750 linear feet of 8-inch force main, 770 linear feet of 1/2-inch force main, 4,790 linear feet of 8-inch ductile iron pipe and 223 manholes. As filed, the estimated construction cost of $3,057,082 was to be financed by a $1,654,900 Environmental Protection Agency (EPA) Grant, a $482,000 Kanawha County Commission grant and a $919,782 West Virginia Water Development Authority (WDA) loan. In conjunction with this filing, Guthrie Public Service District also requested approval of the following rates and charges:

Metered Rates	- $ 6.60 per 1,000 gallons used per month
Minimum Charge	- $13.20 (based on 2.0 M gallons)
Flat rate	- $23.10 per month (based on 3.5 M gallons)
Connection charge	- $100 before construction $250 after construction

Guthrie Public Service District had previously sought the Commission's approval of a similar project in Case No. 88-706-S-CN. The District's project funding, rates and project scope have been amended significantly since its December 7, 1988 filing in Case No. 88-706-S-CN. The District's certificate application in Case No. 88-706-S-CN was dismissed without prejudice before the Commission's 270-day review period expired, because Guthrie Public Service District was still in the process of arranging necessary financing for its project, and it was in the process of evaluating whether its project would have to be scaled back,

even after additional funding was secured. As a part of the Commission's dismissal without prejudice, Guthrie Public Service District was authorized to refile or amend the application for a certificate of convenience and necessity as soon as it desired, and incorporate any and all information previously submitted in Case No. 88-706-S-CN, by reference.

In conjunction with its November 29, 1989 filing, Guthrie Public Service District requested a waiver of additional publication requirements on the District's amended application. In support of its motion, Guthrie Public Service District represented that it had given a prefiling notice of its project on September 30, 1988 and October 7, 1988, in conformance with the requirements of West Virginia Code §16-13A-25, and provided notice of the project prior to its amendment in accordance with the provisions of West Virginia Code §24-2-11, and no protest had been received.

By Order entered on December 1, 1989, this Administrative Law Judge determined that the prefiling notices provided by the District on September 30, 1988 and October 7, 1988 substantially complied with the prefiling publication requirements of West Virginia Code §16-13A-25, and that the District would not be required to make additional prefiling publications in conjunction with the submitted project. However, the Administrative Law Judge noted that the District's amended project represented a scaled back version of its original filing in Case No. 88-706-S-CN, with increased rates and charges. Therefore, the Administrative Law Judge determined that West Virginia Code §24-2-11 required that the District provide additional notice of its amended project and its increased rates and charges in accordance with the provisions of West Virginia Code §24-2-11, before this Commission has the proper authority to waive public hearing on its amended application and the associated rates and charges.

By Order entered on December 4, 1989, the District was required to provide notice of its modified project, financing and related rates and charges in accordance with the provisions of West Virginia Code §24-2-11. By the terms of that Order, Guthrie Public Service District was required to provide notice of its amended application by publishing a copy of the Commission's Order once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Kanawha County. After such publication was completed, the District was to return proper certification of publication to the Commission to verify that the required notice had been provided. According to the terms of that notice, anyone desiring to object to the application was required to do so, in writing, within thirty (30) days after publication of the notice.

On December 26, 1989, Guthrie Public Service District submitted an Affidavit of Publication which verified that the required notice was published on December 7, 1989 in the Charleston Gazette, a newspaper published and of general circulation in Kanawha County. As of the date of this order, no protest was received in response to the published notice.

On March 1, 1990, the District's attorney submitted a letter which requested that a final order be entered on the District's requested

certificate application on or before March 15, 1990. The District represented that the contractors in this case, which had previously submitted bids in May, 1989, were willing to hold their bids until March 15, 1990. Therefore, to avoid any further delay or the incurrence of additional cost for this project, the District requested prompt consideration of its application.

On March 14, 1990, a Joint Staff Memorandum was filed by Caryn Watson Short, Staff Attorney. Internal Memoranda from David A. Hippchen, P.E., Utility Engineer, and Jane W. Haley, Utility Financial Analyst, Public Service District Division, were attached to the Joint Staff Memorandum. For the reasons set forth in those Memoranda, Staff recommended approval of the requested project.

As reflected in Staff's Memoranda, the District had originally proposed a somewhat larger project in Case No. 88-706-S-CN. However, the District has down-sized its project in Case No. 89-795-PSD-CN due to excessive bids and insufficient funds. The current project involves the installation of approximately 44,000 linear feet of gravity sewer line and one main lift station to serve approximately 313 residential customers and 30 commercial customers. Approximately 20,000 linear feet of line and 132 services have been deleted from the District's project which was originally filed in Case No. 88-706-S-CN. The District has developed a priority list, based on construction costs per additional customers, to provide service to the deleted areas if funding becomes available.

As proposed, Guthrie Public Service District's sewage collection lines will be connected to the City of Charleston, and the City of Charleston will provide sewage transportation and sewage treatment services from that point. As proposed by the parties, the City of Charleston will also provide certain billing and collection services on behalf of Guthrie Public Service District, as well as provide normal maintenance on the system. As a part of the District's application in Case No. 88-706-S-CN, the District submitted a proposed agreement between the City of Charleston and the Guthrie Public Service District for the Commission's review and approval. This proposed agreement, which had not been executed by either the City of Charleston or Guthrie Public Service District, provided for an initial sewage treatment charge of $0.77 per 1,000 gallons, a $1.18 billing and collection charge per bill rendered on behalf of the District, and a schedule of hourly charges for equipment and labor for ordinary maintenance performed for the District by the City of Charleston. As described in the agreement, the initial charges were determined based upon audited expenses for the City of Charleston during the 1986 fiscal year. With the completion of a similar audit for the fiscal year ended June 30, 1987, and each fiscal year thereafter, the applicable rates for the each year were to be calculated by the Sanitary Board of Charleston by applying the various formulae set forth in Attachments A and B of the contract.

After reviewing the overall project, Commission Staff observed that all required sources of funding had been confirmed, and the described project was financially feasible. Staff observed that the area to be served encompasses the drainage basins of Edens Fork and Two Mile Creek in and around the unincorporated community of Guthrie. Since the existing

sewage treatment in that area consists of individual septic tanks or direct discharge, Staff concluded that there was a demonstrated need for a centralized sewer facility to provide adequate sewage treatment services in the area. Therefore, Staff concluded that the project was technologically feasible and properly designed.

Further, Staff concluded that the District's proposed rates and charges would provide adequate revenues to meet the District's operating expenses and debt service requirements. Staff's recommended cash flow indicated that the District's proposed rate of $6.60 per 1,000 gallons would generate a surplus of $3,448 and debt service coverage of 114.65%, based upon the District's projected revenue requirements and projected annual revenues. The District's WDA bond issue would require the District to maintain a debt service coverage of 115% until $74,227 is accumulated in the District's reserve account. Once the District's debt service reserve is fully funded, the coverage requirement under the WDA bond issue would be reduced to 110%.

Based upon the District's cash drawdown schedule during project construction, Staff anticipated that the District would not be required to draw against its interim financing. Sixty thousand dollars ($60,000) has been allocated in the District's project costs to meet the District's interim financing requirements during construction. The District has received a commitment from the Merchant's National Bank of Montgomery, West Virginia, for a line of credit in the amount of $150,000, at an interest rate of 8.5%, to meet the District's cash flow needs during project construction. According to Staff's calculations, a project surplus of $72,024 would remain at the conclusion of the project. Staff recommended that any remaining funds, originally allocated in the project towards interim financing, could be used to reduce the District's outstanding debt.

Commission Staff reviewed the terms and conditions of the proposed contract between the Sanitary Board, the City of Charleston and Guthrie Public Service District. Staff recommended approval of the contract in order to specify the obligations of each party. However, Staff also recommended that the City adopt the described sewage treatment rate of $0.77 per 1,000 gallons as a part of its next tariff filing. Commission Staff observed that the rate established by the contract may remain in effect for 15 or 20 years, and during this time the utility may have rate increases or decreases within its tariff while the contract rate remains unchanged. Staff is concerned that this type of arrangement may result in the improper subsidization of one utility's customers by another. Staff believed that any potential problem could be resolved by requesting that all rates and charges for the City of Charleston, including the sewage treatment rate for Guthrie Public Service District, be provided in the City of Charleston's tariffs.

Since no protests have been received to the District's proposed project or rates, Staff recommended approval of the project, without hearing. Further, Staff recommended that the District be required to submit a copy of an executed agreement between the District and the Sanitary Board within sixty (60) days of the date of the final order in this case. Upon submission of a signed copy of the agreement, Staff

intended to make a further recommendation concerning the filing of the revised tariff by the Sanitary Board, if necessary.

Based upon the review and analysis of Commission Staff, the Administrative Law Judge is of the opinion that the Guthrie Public Service District's project is consistent with an established public need, financially and technologically feasible, and supported by adequate rates and charges. Since no protests have been received to this project, the Administrative Law Judge finds it reasonable and appropriate to grant a certificate of convenience and necessity for the described project, and the proposed rates of Guthrie Public Service District, without hearing.

The Administrative Law Judge observes that the WDA bond issue is normally sized at the beginning of the project, and the District does not normally have an option of reducing the bond at the conclusion of the project. However, any remaining surplus at the conclusion of the project could be properly applied to either partially or fully fund the District's debt service account, and reduce the level of coverage which is required under the WDA bond issue. Since the District's coverage under Staff's analysis is slightly less than what would be required by the WDA bond issue, the Administrative Law Judge would suggest that any surplus be first applied to satisfy the bond issue's reserve requirement and lower the District's required debt service coverage to 110%.

West Virginia Code §24-2-12 requires Guthrie Public Service District and the City of Charleston to seek and obtain the Commission's consent and approval before entering into the described sewage treatment and operating agreement. In part, West Virginia Code §24-2-12 provides as follows:

> Unless the consent and approval of the public service commission of West Virginia is first obtained: (a) No public utility subject to the provisions of this chapter, except railroads other than street railroads, may enter into any contract with any other utility to operate any line or plant of any other utility subject thereto, nor which will enable such public utility to operate their lines or plants in connection with each other . . .

After reviewing the described sewage treatment agreement, maintenance agreement and billing and collection agreement between Guthrie Public Service District and the Sanitary Board of the City of Charleston, the Administrative Law Judge finds it reasonable and appropriate to allow the parties to enter into the described agreement, with one modification.

As shown in Attachment A of that agreement, designated portions of the City of Charleston's operating expenses for its collection system, pumping system, treatment and disposal, billing and collecting, administration and debt service have been allocated to be shared by Guthrie Public Service District. Once these shared expenses were identified, the City of Charleston divided the total shared expenses by the City of Charleston's total billed water usage, based on a 1983 bill analysis performed by Charleston, to determine the sewage treatment rate of $1.7714 per 1,000 gallons set forth in the contract. As shown in Clause 3 of the proposed contract, this calculated sewage treatment and

transportation fee is to then be applied to the District's metered sewage flows. At the City's option, it may also bill the District according to the cumulative metered water usage of the District's customers.

The actual sewage flows treated by the City of Charleston should be much greater than the billed water usage for all customers directly and indirectly served by the City of Charleston's sewer system, due to inflow and infiltration on the City of Charleston's system and the systems operated by the various outside customers served by Charleston. Therefore, the Administrative Law Judge is of the opinion that the described methodology would unreasonably inflate the District's sewage treatment expenses if the calculated factor is applied toward the District's measured sewage flows. For the sake of consistency and to provide an equitable allocation of costs, if the District's sewage treatment rate is to be calculated based upon billed water usage on Charleston's system, it should be applied to the combined water usage of the District's customers. If the calculated sewage treatment rate is based upon the volumes of wastewater treated by the City of Charleston's plant, the factor can be properly applied to the volume of wastewater introduced into the City of Charleston system by Guthrie Public Service District. However, unless the described contract language is clarified, the City of Charleston could be applying a factor derived from billed water usage to the volume of wastewater produced by Guthrie PSD, which should be somewhat higher than the billed water consumption on the District's system due to incidental inflow and infiltration.

Therefore, the Administrative Law Judge is of the opinion that the agreement between the City and the District should be modified to either calculate the contract's sewage treatment rate based upon the total volumes of wastewater treated at the City of Charleston plant, if the District is to be billed according to metered wastewater flows, or the City of Charleston's calculated sewage treatment rate should be applied against the combined water consumption of the District's customers, which is an option that is already available to Charleston under Clause 3 of the proposed agreement. With this clarification, based upon Staff's review and recommendations, the Administrative Law Judge is of the opinion that the proposed agreement between the City of Charleston and Guthrie Public Service District should be approved in accordance with the provisions of West Virginia Code §24-2-12.

The ALJ notes that Commission Staff has not identified any contract provisions which are unreasonable or oppressive, the contract was negotiated at arm's length, and Commission Staff has accepted the allocation methodologies described in the agreement. Therefore, Staff's recommendation to have the City of Charleston restate the applicable contract rates in its effective tariff shall not be adopted. Since the contract provides for a recalculation of the applicable contract rate after each audited fiscal year, Staff's recommendation would effectively have the City of Charleston adopt a municipal ordinance to modify the contract rate under the approved formula. Further, if the stated contract rate is made into a fixed tariff rate, as proposed by Staff, the Commission's review jurisdiction may only be prospectively triggered under West Virginia Code §24-2-4b, upon receipt of an appropriate petition. (See, City of St. Mary's, Case No. 81-127-W-PC, 70 ARPSCWV 490 (1983). On

the other hand, if it remains as a contract rate, subject to modification according to the terms of the contract, both parties retain the ability to enforce their respective obligations under the agreement, and the Commission can abrogate the contract rate or provisions if they are found to be unjust, unreasonable, insufficient, unjustly discriminatory or otherwise in violation of controlling statutes. (See, United Gas Pipeline Company v. Mobile Gas Service Corporation, 350 U.S. 332 (1957); Federal Power Commission v. Sierra Pacific Power Company, 350 U.S. 348 (1956); Preston County Light and Power Company v. Renick, 145 W.Va. 115, 113 S.E.2d, 378 (1960); Columbia Gas of West Virginia, Inc., Case No. 7437, 63 ARPSCWV 238 (1975); Maysel Public Service District v. Clay Municipal Water Department, Case No. 82-051-W-C, 71 ARPSCWV 543 (1983)). Unless the parties mutually agree to establish the applicable rates according to tariff filings, there is no compelling reason to set the negotiated contract rate in an approved tariff.

FINDINGS OF FACT

1. Guthrie Public Service District has requested this Commission's approval to construct a $3,057,082 project to serve approximately 343 commercial and residential customers in the area of Guthrie, Kanawha County. (November 29, 1989 Application; March 14, 1990 Joint Staff Memorandum and Attachments).

2. The project costs are to be funded by a $1,654,900 EPA Grant, a $482,000 Kanawha County Commission grant, and a $919,782 WDA loan. The District has also secured a line of credit in the amount of $150,000 from the Merchant's National Bank, Montgomery, at an interest rate of 8.5%, to meet any interim cash flow requirements during project construction. All of the described funding sources have been confirmed and committed. (November 29, 1989 Application; March 14, 1990 Joint Staff Memorandum and Attachments).

3. The proposed service area, which includes the drainage basins of Edens Fork and Two Mile Creek, presently has no centralized sewage treatment system, and residents in that area are either relying on individual septic tanks or directly discharging their sewage into the creeks. (November 29, 1989 Application; March 14, 1990 Joint Staff Memorandum and Attachments).

4. Staff's analysis indicates that the District's proposed rates are barely sufficient to meet the District's revenue requirements and debt service after project construction. (March 14, 1990 Joint Staff Memorandum and Attachments).

5. The District has provided public notice of its proposed project and rates in accordance with the provisions of West Virginia Code §24-2-11, and no public protest has been received. (December 26, 1989 Affidavit of Publication).

6. The District and the City of Charleston propose to enter into a sewage treatment and operating agreement whereby the City of Charleston will provide sewage treatment services, billing and collection services

and system maintenance on the District's system. (See, Proposed Agreement submitted on August 7, 1989, in Case No. 88-706-S-CN).

7. Commission Staff has reviewed the terms and conditions of the proposed agreement between the City and the District, and found them to be reasonable and appropriate, and negotiated at arm's length. (March 14, 1990 Joint Staff Memorandum and Attachments).

8. Without further clarification, the City would be able to apply a sewage treatment rate, which is based upon the allocated cost of service and the volume of billed water usage on the City of Charleston's system, against the District's metered sewage flows. (See Clause 3 and Attachment A of Proposed Agreement, submitted on August 7, 1989 in Case No. 88-706-S-CN).

9. Commission Staff has recommended certain minor modifications to the District's tariff for clarification, and recommended that the District be required to file for a general rate review following a full year of operation to determine the continued adequacy of the approved rates. (March 14, 1990 Joint Staff Memorandum and Attachments).

CONCLUSIONS OF LAW

1. Based upon Staff's review and recommendations, the Administrative law Judge finds that the proposed project is supported by adequate evidence of public need, it is technologically and economically feasible, and it is supported by adequate rates and charges. Therefore, since no protest has been received, it is in the public interest to grant a certificate of public convenience and necessity for the described project, approve the related financing, and adopt the District's proposed rates and charges, as modified by Commission Staff, for use when the project is completed.

2. Since the District's proposed rates are marginally adequate to meet the District's projected operating expenses and debt service requirements, the Administrative Law Judge finds it reasonable and appropriate to require the District to request a review of its rates and revenue requirements, pursuant to Rule 19-A of the Commission's Rules and Regulations Governing the Construction and Filing of Tariffs by Public Utilities and Common Carriers by Motor Vehicle, after its first full year of operations.

3. The Administrative Law Judge is of the opinion that the proposed sewage treatment agreement should be clarified to insure that the City's calculated sewage treatment factor, which is determined according to the billed volumes of water treated by the City's system, should only be applied against the total billed water consumption of the District's customers, and not against the measured volume of wastewater introduced by the District into the City's system. If the City intends to bill the District according to the actual volume of wastewater introduced into the City's system, the calculated billing factor should be based upon the total volumes of wastewater treated at the City's plant.

4. With that clarification, the Administrative Law Judge finds that the City of Charleston and Guthrie Public Service District should be granted the Commission's consent and approval to enter into the described sewage treatment and service agreement in accordance with the provisions of West Virginia Code §24-2-12, without specifically approving the terms and conditions of the agreement.

ORDER

IT IS, THEREFORE, ORDERED that Guthrie Public Service District is hereby granted a certificate of public convenience and necessity to construct and operate a sewage and collection system to serve the area of Guthrie, Kanawha County, as more fully described in its November 29, 1989 application, with the total construction cost not to exceed $3,057,082.

IT IS FURTHER ORDERED that, in order to provide permanent and interim funding for the approved project, Guthrie Public Service District is hereby granted the Commission's approval to accept the grants and loans set forth herein, as more fully described in its November 29, 1989 application. The approved funding will include a $1,654,900 EPA Grant, a $482,000 Kanawha County Commission Grant, and $919,782 in proceeds from a WDA bond issue, to be repaid over a period of 38 years, at an interest rate not to exceed 7.5% per annum, as well as a $150,000 line of credit, at an interest rate of 8.5% per annum, to be available as interim financing during project construction.

IT IS FURTHER ORDERED that the rates and charges set forth in Appendix A are hereby approved for use by Guthrie Public Service District.

IT IS FURTHER ORDERED that Guthrie Public Service District is hereby required to provide the Commission with thirty (30) days advance notice of the date its system is actually placed in service, and file a copy of its approved tariff, with the date the system is to commence operations as the applicable effective date.

IT IS FURTHER ORDERED that Guthrie Public Service District and the City of Charleston are hereby granted the Commission's consent and approval to enter into the proposed sewage treatment and service agreement, as described herein, as long as its provisions are clarified in accordance with this order. This permission is granted in accordance with the provisions of West Virginia Code §24-2-12, without specifically approving the terms and conditions of the agreement.

IT IS FURTHER ORDERED that, within sixty (60) days of the date of this order, Guthrie Public Service District is hereby directed to file a copy of its fully executed sewage treatment and service agreement with the Sanitary Board of the City of Charleston, with certain clarifications consistent with this discussion.

IT IS FURTHER ORDERED that, after Guthrie Public Service District's first twelve (12) months of service have been completed, Guthrie Public Service District is hereby required to file for and submit to a fully rate review under Rule 19-A of the Commissions Tariff Rules.

IT IS FINALLY ORDERED that the Executive Secretary of the Commission serve a copy of this order upon Guthrie Public Service District by United States First Class Mail and upon Commission Staff by hand delivery.

This order is issued pursuant to General Order No. 212, dated December 16, 1982, which order designates the Division of Administrative Law Judges as the initial decision making body in the Public Service Commission and authorizes the Public Service Commission Administrative Law Judges to issue orders on behalf of the Commission in all proceedings filed pursuant to Chapter 24 of the West Virginia Code, which proceedings are not set for hearing and which orders shall have the full force and effect of Commission orders, without the provision for the filing of exceptions thereto.

Leave is hereby granted to the parties to file a petition for further hearing, reopening, or rehearing pursuant to Rule 19 of the Commission's Rules of Practice and Procedure with the Executive Secretary of the Commission within ten (10) days after the date this order is mailed.

Robert F. Williams

Robert F. Williams
Administrative Law Judge

RFW:cjf

APPENDIX A

GUTHRIE PUBLIC SERVICE DISTRICT
CASE NO. 89-795-PSD-CN

APPROVED RATES

APPLICABILITY

Applicable within entire territory served.

AVAILABILITY

Available for general domestic, commercial and industrial service.

RATES

Metered Rates -
$6.60 per thousand gallons used per month.

Unmetered Rates - General Domestic -
$23.10 per month.

MINIMUM CHARGE

No bill will be rendered for metered service for less than $13.20 per month.

CONNECTION CHARGE

Prior to construction - $100.00
After construction - $250.00

DELAYED PAYMENT PEANLTY

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

Public Service Commission
Of West Virginia

201 Brooks Street, P. O. Box 812
Charleston, West Virginia 25323

Phone: (304) 340-0300
FAX: (304) 340-0325

March 26, 1990

Walter Williams, Esquire
Steptoe & Johnson
P.O. Box 2190
Clarksburg, WV 26302-2190

Re: Case No. 89-795-PSD-CN
Dorcas Public Service District

Dear Mr. Williams:

I have been advised that you would like a written representation from the Staff of the Public Service Commission that we do not intend to appeal the March 15, 1990 Order entered in the above case. The Order adopts the Staff recommendations of approval for the issuance of the certificate to Dorcas PSD. Given this fact the Staff does not intend to file a petition for reconsideration, further hearing, rehearing, reopening or appeal or to otherwise challenge the Order. I am aware of no other parties, intervenors or protestants and would presume there will be no challenge to this Order.

Sincerely,

Caryn Watson Short

CARYN WATSON SHORT
Staff Attorney
(304)340-0338

CWS/mh

cc: Howard M. Cunningham
Jane Weise Haley
Dina B. Foster

4B

Public Service Commission
Of West Virginia

201 Brooks Street, P. O. Box 812
Charleston, West Virginia 25323

Phone: (304) 340-0300
FAX: (304) 340-0325

March 27, 1990

Walter Williams, Esquire
Steptoe & Johnson
P.O. Box 2190
Clarksburg, WV 26302-2190

Re: Case No. 89-795-PSD-CN
Guthrie Public Service District

Dear Mr. Williams:

In my March 26, 1990 letter to you confirming that the Staff did not intend to appeal the March 15, 1990 Order entered in Case No. 89-795-PSD-CN, Guthrie Public Service District, I incorrectly referred to the case as Dorcas Public Service District. The case number I recited was accurate but the name should have been Guthrie Public Service District. The Staff supports the position it stated in the March 26, 1990 letter and will not be filing a petition for reconsideration, further hearing, rehearing, reopening or appeal or otherwise challenge the Order. The Staff is unaware of any other parties, intervenors or protestants and presumes there will be no challenge to this Order.

Sincerely,

Caryn Watson Short

CARYN WATSON SHORT
Staff Attorney
(304)340-0338

CWS/mh

cc: Howard M. Cunningham
Jane Weise Haley
Dina B. Foster

1+C

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: December 1, 1989

CASE NO. 89-795-PSD-CN

GUTHRIE PUBLIC SERVICE DISTRICT,
a public utility, Charleston,
Kanawha County.
Application for a certificate of convenience and necessity to construct and operate a collection and transportation system for the disposal of sewerage at Guthrie, Kanawha County, and for waiver of newspaper publication incidental thereto.

ORDER ON MOTION

On November 29, 1989, Guthrie Public Service District, a public utility, Charleston, Kanawha County, filed a duly verified application for a certificate of convenience and necessity to construct and operate a sewage collection and transportation system to serve the area of Guthrie, Kanawha County. As submitted, Guthrie Public Service District proposed to construct two (2) pumping stations, 7,638 linear feet of 6-inch sewer pipe, 24,540 linear feet of 8-inch sewer pipe, 5,400 linear feet of 10-inch sewer pipe, 1,940 linear feet of 12-inch sewer pipe, 1,750 linear feet of 8-inch forced main, 770 linear feet of 1/2-inch forced main, 4,790 linear feet of 8-inch ductile iron pipe and 223 manholes. As filed, the estimated construction cost of $3,057,082 was to be financed by a $1,654,900 EPA Grant, a $482,000 Kanawha County Commission grant and a $919,782 West Virginia Water Development Authority loan. In conjunction with this filing, Guthrie Public Service District also requested approval of the following rates and charges:

Metered Rates	- $ 6.60 per 1,000 gallons used per month
Minimum Charge	- $13.20 (based on 2.0 M gallons)
Flat rate	- $23.10 per month (based on 3.5 M gallons)
Connection charge	- $100 before construction $250 after construction

Guthrie Public Service District had previously sought the Commission's approval of a similar project in Case No. 88-706-S-CN. The District's project funding, rates and project scope have been amended significantly since its December 7, 1988 filing in Case No. 88-706-S-CN. The District's certificate application in Case No. 88-706-S-CN, was dismissed without prejudice before the Commission's 270-day review period

MKM

4D

expired, because Guthrie Public Service District was still in the process of arranging necessary financing for its project, and it was in the process of evaluating whether its project would have to be scaled back, even after additional funding was secured. As a part of the Commission's dismissal without prejudice, Guthrie Public Service District was authorized to refile or amend the application for a certificate of convenience and necessity as soon as it desired, and incorporate any and all information previously submitted in Case No. 88-706-S-CN, by reference.

In conjunction with its November 29, 1989 filing, Guthrie Public Service District requested a waiver of additional publication requirements on the District's amended application. In support of its motion, Guthrie Public Service District represented that it had given a prefiling notice of its project on September 30, 1988 and October 7, 1988, in conformance with the requirements of West Virginia Code §16-13A-25, and provided notice of the project prior to its amendment in accordance with the provisions of West Virginia Code §24-2-11, and no protest had been received.

Guthrie Public Service District represented that it has had to scale back the original scope of the project due to cut-backs in available Environmental Protection Agency funds. The District represented that the necessary funding has now been secured for the amended project, and the District bid this project on May 23, 1989. Guthrie Public Service District represented that these bids were due to expire on December 12, 1989 and Guthrie Public Service District requested that the Commission grant a waiver of further publication requirements on Guthrie Public Service District's new application for a certificate of convenience and necessity and the District requested the authority to issue a notice of contract award for the sewer project on or before December 12, 1989.

The District's prefiling notice, which is restated in an Affidavit of Publication attached to the District's November 2, 1988 prefiling application in Case No. 88-706-S-CN, stated that the District would be seeking a certificate of convenience and necessity to construct a collection and transportation system for disposal of sewage within its boundaries, at a total estimated cost not to exceed $4 million. In this prefiling notice, Guthrie Public Service District represented to its customers that it intended to borrow an amount of money not to exceed $1,250,000 through revenue bonds financed by the Water Development Authority, at an interest rate not to exceed 8.75% and a repayment period of 40 years. The District also represented that additional monies were to be obtained from the Environmental Protection Agency and the Kanawha County Commission to finance the project. Guthrie Public Service District's notice also generally described the facilities to be constructed, and stated that the District anticipated that the resulting rates would not exceed $29.00 per month, based on an average usage of 4,500 gallons.

Subsequently, Guthrie Public Service District's certificate application in Case No. 88-706-S-CN stated that it proposed to construct three (3) pumping stations, 54,000 linear feet of 8-inch sewer line, 3,100 linear feet of 12-inch sewer line, 6,600 linear feet of 6-inch sewer line,

400 manholes, 1,800 linear feet of 8-inch forced main, and 700 linear feet of 2-inch forced main, at an estimated cost of approximately $3,985,110, to be financed by an EPA Grant of $2,634,090, a Kanawha County Commission/WDA Loan of $1,075,020 and a Kanawha County Commission Grant of $276,000. In conjunction with this December 7, 1988 filing, the District requested approval of the following rates and charges:

Metered rates	- $ 4.62 per 1,000 gallons used per month
Minimum charge	- $ 9.24 (based on 2.0 M gallons)
Flat rate	- $ 16.17 per month (based on 3.5 M gallons)
Connection charge	- $100.00 before construction
	- $250.00 after construction

The District provided notice of its December 7, 1988 certificate filing and its requested rates and charges, in accordance with the provisions of West Virginia Code §24-2-11, as verified by Affidavits of Publication submitted on December 21, 1988 in Case No. 88-706-S-CN.

Upon review of Guthrie Public Service District's motion, the Administrative Law Judge (ALJ) is of the opinion that prefiling notices provided by the District on September 30, 1988 and October 7, 1988 substantially comply with the prefiling publication requirements of West Virginia Code §16-13A-25, and the District should not be required to make additional prefiling publications in conjunction with the submitted project. However, the Administrative Law Judge is of the opinion that West Virginia Code §24-2-11 requires the District to provide additional notice of its amended project and its increased rates and charges in accordance with the provisions of West Virginia Code §24-2-11, before this Commission has the proper authority to waive public hearing on its amended application and approve the District's requested rates and charges.

The Public Service Commission has previously addressed the continued adequacy of prefiling publications in other cases, in particular with regard to the rate levels included in the publication. In Hardy County Public Service District, Case No. 87-429-W-CN, this Commission determined that Hardy County Public Service District had substantially complied with the publication requirements of West Virginia Code §16-13A-25 even though the District had set forth incorrect rates and charges in its prefiling publication. In that case, the Public Service Commission determined that no harm resulted to the public as a result of the inaccurate prefiling publication, since the proposed rates and charges were correctly published in a subsequent publication notice required by West Virginia Code §24-2-11. (See, April 11, 1988 Commission Order in Case No. 87-249-W-CN). Further, in Cottageville Public Service District, Case No. 88-688-W-CN, an Administrative Law Judge of the Public Service Commission found that the District had substantially complied with the prefiling publication requirements in West Virginia Code §16-13A-25, even though the District had understated the rates and charges in that notice, as long as the District's correct rates and charges were published in the 30-day notice to be provided under West Virginia Code §24-2-11. (See, January 5, 1989 Order in Case No. 88-688-W-CN).

In this case, while the project has been scaled back since the District's original prefiling and the estimated project costs and the

projected funding are within the parameters stated in its original prefiling notices, the rates and charges currently requested by the District of $6.60 per 1,000 gallons correlate to a charge of $29.70 per month for a customer using 4,500 gallons, which rates are other than the original application. While the average rate is slightly higher than the rate originally reflected in the District's prefiling notice, the Administrative Law Judge finds that the prefiling notices substantially comply with the District's prefiling publication requirements, as long as the correct rates and charges are published in the 30-day notice required by West Virginia Code §24-2-11.

Under the provisions of West Virginia Code §24-2-11:

> Upon the filing of any application for such certificate, and after hearing, the commission may, in its discretion, issue or refuse to issue, or issue in part and refuse in part, such certificate of convenience and necessity: Provided, That the commission, after it gives proper notice and if no protest is received within thirty days after the notice is given, may waive formal hearing on the application. Notice shall be given by publication which shall state that a formal hearing may be waived in the absence of protest, made within thirty days, to the application.

Therefore, under the clear provisions of West Virginia Code §24-2-11, the Commission does not have the authority to waive a public hearing on the certificate of convenience and necessity or the amended application unless no protest is received after the 30-day notice of the amended application is provided in accordance with the provisions of West Virginia Code §24-2-11. Due to the reduced scope of the project and the dramatically increased rates and charges over the rates and charges published in the District's 24-2-11 notice of its certificate application in Case No. 88-607-S-CN, this Commission cannot properly conclude that the public's failure to object to the project and rates described in Case No. 88-706-S-CN reflect any acquiescence in the reduced project scope and increased rates and charges requested by its amended application.

Therefore, the Administrative Law Judge shall deny Guthrie Public Service District's request in part, and require Guthrie Public Service District to provide public notice of its amended project and requested rates and charges, as set forth in its November 29, 1989 application, in accordance with the provisions of West Virginia Code §24-2-11. However, the District shall not be required to provide additional 60-days prefiling notice requirements, since those notice requirements have been substantially provided for by the District's earlier prefiling notices. Further, since the Commission lacks the authority to approve the project, without hearing, unless no protest is received after the 30-day notice required by West Virginia Code §24-2-11 as provided for the amended project, the Administrative Law Judge shall deny the District's request to permit it to issue a notice of award on the contracts for the amended sewer project by December 12, 1989.

FINDINGS OF FACT

1. The rates and charges requested by Guthrie PSD's amended project are substantially higher than the rates previously noticed to the public in conjunction with Guthrie PSD's prior certificate filing, which was dismissed without prejudice in Case No. 88-706-S-CN. (December 21, 1988 Affidavit of Publication in Case No. 88-706-S-CN; November 29, 1989 application in Case No. 89-795-PSD-CN).

2. The project scope in Guthrie PSD's current application is substantially scaled back from its original application in Case No. 88-706-S-CN. (December 7, 1988 filing in Case No. 88-706-S-CN; November 29, 1989 filing in Case No. 89-795-PSD-CN).

3. While the average rates stated in the District's application are slightly higher than the rates stated in the prefiling notices provided for its earlier project on September 30, 1988, and October 7, 1988, the financing scope and project costs stated in the current application are within the parameters of the earliest prefiling notices. (November 20, 1988 Affidavits of Publication in Case No. 88-706-S-CN; November 29, 1989 application in Case No. 89-795-PSD-CN).

CONCLUSIONS OF LAW

1. The Administrative Law Judge finds that the District's earlier prefiling notices shall be determined to satisfy all prefiling notice requirements of West Virginia Code §16-13A-25 for the amended application, since the prefiling notice requirements of West Virginia Code §16-13A-25 have been substantially complied with, as long as the District files proper notice of its amended rates, project scope, project costs and funding in accordance with the provisions of West Virginia Code §24-2-11.

2. Until such additional 30-day notice is provided in accordance with the provisions of West Virginia Code §24-2-11, the Commission has no authority to waive public hearing, grant the application, or authorize the District to accept bids on its amended project.

ORDER

IT IS, THEREFORE, ORDERED that the prefiling notice requirements of West Virginia Code §16-13A-25 on Guthrie Public Service District's amended project, as filed on November 29, 1989, are hereby deemed to be satisfied by public notice previously provided for a similar application in Case No. 88-706-S-CN, which was dismissed without prejudice.

IT IS FURTHER ORDERED that Guthrie Public Service District is hereby required to provide public notice of its amended certificate application, filed November 29, 1989, in accordance with the provisions of West Virginia Code §24-2-11.

IT IS FURTHER ORDERED that Guthrie Public Service District's motions to authorize the District to waive West Virginia Code §24-2-11 notice requirements and award a notice of contract award for its amended project are hereby denied.

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

This order is issued pursuant to General Order No. 212, dated December 16, 1982, which order designates the Division of Administrative Law Judges as the initial decision making body in the Public Service Commission and authorizes the Public Service Commission Administrative Law Judges to issue orders on behalf of the Commission in all proceedings filed pursuant to Chapter 24 of the West Virginia Code, which proceedings are not set for hearing and which orders shall have the full force and effect of Commission orders, without the provision for the filing of exceptions thereto.

Leave is hereby granted to the parties to file a petition for further hearing, reopening, or rehearing pursuant to Rule 19 of the Commission's Rules of Practice and Procedure with the Executive Secretary of the Commission within ten (10) days after the date this order is mailed.

Robert F. Williams

Robert F. Williams
Administrative Law Judge

RFW:cjf

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, NEW JERSEY 07016 ED 11 1C

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned, BARBARA B. MEADOWS, Secretary-Treasurer of West Virginia Water Development Authority, for and on behalf of West Virginia Water Development Authority (the "Authority") and ERICK HAYNES, Chairman of Guthrie Public Service District (the "Issuer"), hereby certify as follows:

1. On the 30th day of March, 1990, the Authority received the entire original issue of $919,700 in aggregate principal amount of Sewer Revenue Bonds, Series 1990 A and Series 1990 B, of the Issuer (collectively, the "Bonds"), issued as a single, fully registered Bond of each Series, numbered AR-1 and BR-1, respectively, both dated March 30, 1990, the Series 1990 A Bond being in the principal amount of $878,695 and the Series 1990 B Bond being in the principal amount of $41,005.

2. At the time of such receipt of the Bonds upon original issuance, all of the Bonds had been executed by Erick Haynes, as Chairman of the Issuer, by his manual signature, and by Robert Wayne Taylor, as Secretary of the Issuer, by his manual signature, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Bonds, of the proceeds of the Series 1990 A Bonds in the aggregate principal amount of $878,695 and proceeds of the Series 1990 B Bonds in the aggregate principal amount of $41,005 (100% of par value), there being no interest accrued on either series.

IN WITNESS WHEREOF, Barbara B. Meadows duly signed and delivered this receipt on behalf of WEST VIRGINIA WATER DEVELOPMENT AUTHORITY and GUTHRIE PUBLIC SERVICE DISTRICT has caused this receipt to be duly executed and delivered by its Chairman, as of this 30th day of March, 1990.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By Barbara B. Meadows
Secretary-Treasurer

GUTHRIE PUBLIC SERVICE DISTRICT

By Eick L. Humphrey
Chairman

03/28/90
GUTJ.E3
36733/89001

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

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

Ladies and Gentlemen:

There are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the Guthrie Public Service District Sewer Revenue Bonds, Series 1990 A, in the principal amount of $878,695 and Bond No. BR-1, constituting the entire original issue of the Guthrie Public Service District Sewer Revenue Bonds, Series 1990 B, in the principal amount of $41,005 both dated March 30, 1990 (collectively, the "Bonds"), executed by the Chairman and Secretary of Guthrie Public Service District (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond and Notes Resolution and Supplemental Resolution duly adopted by the Issuer (collectively, the "Local Act");

(2) A copy of the Local Act authorizing the above Bond issue, duly certified by the Secretary of the Issuer;

(3) Executed counterparts of the loan agreement and the supplemental loan agreement, both dated March 30, 1990, and both by and between the West Virginia Water Development Authority (the "Authority") and the Issuer (collectively, the "Loan Agreement"); and

(4) Signed opinions of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the account of the Issuer of the sum of $919,700, representing the agreed aggregate purchase price of the Bonds, there being no accrued interest thereon. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated by an authorized officer, as Bond Registrar, in

accordance with the forms of Certificate of Authentication and Registration thereon.

Dated this 30th day of March, 1990.

GUTHRIE PUBLIC SERVICE DISTRICT

By Erick L. Hunyard
Its Chairman

03/28/90
GUTJ.D3
36733/89001

ALL STATE LEGAL SUPPLY CO. LAKE COMMERCE PARK, CA NEW JERSEY 07016 ED 15-1C

(SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GUTHRIE PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND,
SERIES 1990 A

No. AR-1 $878,695

KNOW ALL MEN BY THESE PRESENTS: That GUTHRIE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Kanawha 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 EIGHT HUNDRED SEVENTY-EIGHT THOUSAND SIX HUNDRED NINETY-FIVE DOLLARS ($878,695), in installments on October 1 of each year, as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, and such interest shall be payable on April 1 and October 1 in each year, beginning October 1, 1990. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar") on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement between the Issuer and the Authority, dated March 30, 1990.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewerage facilities of the

Issuer (the "Project"); (ii) to pay interest on the Bonds of this Series (the "Bonds") during the construction of the Project and for not more than 6 months thereafter; and (iii) to pay certain costs of issuance hereof and related costs. The Project and any additions, extensions or improvements thereto is 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 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution duly adopted by the Issuer on March 29, 1990, and a Supplemental Resolution duly adopted by the Issuer on March 29, 1990 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is issued concurrently with the Sewer Revenue Bonds, Series 1990 B, of the Issuer (the "Series 1990 B Bonds"), issued in the aggregate principal amount of $41,005, which Series 1990 B Bonds are junior and subordinate with respect to liens and source of and security for payment to the Bonds.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1990 A Bonds Reserve Account") and unexpended proceeds of the Bonds and the Series 1990 B Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Series 1990 A Bonds Reserve Account and unexpended proceeds of the Bonds and the Series 1990 B Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds, the Series 1990 B Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds or the Series 1990 B Bonds, provided however, that so long as there

exists in the Series 1990 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for the Series 1990 B Bonds and any other obligations outstanding prior to or on a parity with the Bonds or the Series 1990 B Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar 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 Bond 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, shall be applied solely to the payment of the Costs of the Project 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 owner of this Bond.

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

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part

of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, GUTHRIE PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated March 30, 1990.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1990 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: _____

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

Guthrie Public Service District
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 30-Mar-90

Date	Coupon	Principal	Interest	Debt Service 7.85% Bonds
01-Oct-90			34,680.38	34,680.38
01-Oct-91	7.85%	3,820.00	68,977.56	72,797.56
01-Oct-92	7.85%	4,121.00	68,677.69	72,798.69
01-Oct-93	7.85%	4,444.00	68,354.19	72,798.19
01-Oct-94	7.85%	4,793.00	68,005.34	72,798.34
01-Oct-95	7.85%	5,169.00	67,629.08	72,798.08
01-Oct-96	7.85%	5,575.00	67,223.32	72,798.32
01-Oct-97	7.85%	6,013.00	66,785.68	72,798.68
01-Oct-98	7.85%	6,484.00	66,313.66	72,797.66
01-Oct-99	7.85%	6,993.00	65,804.67	72,797.67
01-Oct-2000	7.85%	7,542.00	65,255.72	72,797.72
01-Oct-2001	7.85%	8,135.00	64,663.67	72,798.67
01-Oct-2002	7.85%	8,773.00	64,025.07	72,798.07
01-Oct-2003	7.85%	9,462.00	63,336.39	72,798.39
01-Oct-2004	7.85%	10,205.00	62,593.62	72,798.62
01-Oct-2005	7.85%	11,006.00	61,792.53	72,798.53
01-Oct-2006	7.85%	11,870.00	60,928.56	72,798.56
01-Oct-2007	7.85%	12,801.00	59,996.77	72,797.77
01-Oct-2008	7.85%	13,806.00	58,991.89	72,797.89
01-Oct-2009	7.85%	14,890.00	57,908.12	72,798.12
01-Oct-2010	7.85%	16,059.00	56,739.25	72,798.25
01-Oct-2011	7.85%	17,320.00	55,478.62	72,798.62
01-Oct-2012	7.85%	18,679.00	54,119.00	72,798.00
01-Oct-2013	7.85%	20,146.00	52,652.70	72,798.70
01-Oct-2014	7.85%	21,727.00	51,071.24	72,798.24
01-Oct-2015	7.85%	23,433.00	49,365.67	72,798.67
01-Oct-2016	7.85%	25,272.00	47,526.18	72,798.18
01-Oct-2017	7.85%	27,256.00	45,542.32	72,798.32
01-Oct-2018	7.85%	29,395.00	43,402.73	72,797.73
01-Oct-2019	7.85%	31,703.00	41,095.22	72,798.22
01-Oct-2020	7.85%	34,192.00	38,606.54	72,798.54
01-Oct-2021	7.85%	36,876.00	35,922.46	72,798.46
01-Oct-2022	7.85%	39,770.00	33,027.70	72,797.70
01-Oct-2023	7.85%	42,892.00	29,905.75	72,797.75
01-Oct-2024	7.85%	46,259.00	26,538.73	72,797.73
01-Oct-2025	7.85%	49,891.00	22,907.40	72,798.40
01-Oct-2026	7.85%	53,807.00	18,990.96	72,797.96
01-Oct-2027	7.85%	58,031.00	14,767.11	72,798.11
01-Oct-2028	7.85%	62,586.00	10,211.67	72,797.67
01-Oct-2029	7.85%	67,499.00	5,298.67	72,797.67
		878,695.00	1,995,113.83	2,873,808.83

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:

_____

03/28/90
GUTJ.U2
36733/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CIE NEW JERSEY 07016 ED 11-10

(SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GUTHRIE PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND,
SERIES 1990 B

No. BR-1 $41,005

KNOW ALL MEN BY THESE PRESENTS: That GUTHRIE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Kanawha 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 FORTY-ONE THOUSAND FIVE DOLLARS ($41,005), in annual installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference, without 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 upon the terms and conditions prescribed by, and otherwise in compliance with, the Supplemental Loan Agreement between the Issuer and the Authority, dated March 30, 1990.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The Project and any additions, extensions or improvements thereto is 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 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution duly adopted by the Issuer on March 29, 1990, and a Supplemental Resolution duly adopted by the Issuer on March 29, 1990 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds

under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds of this Series (the "Bonds") under the Bond Legislation.

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT TO THE SEWER REVENUE BONDS, SERIES 1990 A, OF THE ISSUER ISSUED CONCURRENTLY HEREWITH IN THE AGGREGATE PRINCIPAL AMOUNT OF $878,695 AND DESCRIBED IN THE BOND LEGISLATION (THE "SERIES 1990 A BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System after there has first been paid from said Net Revenues all payments then due and owing on account of the Series 1990 A Bonds, all moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1990 B Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1990 B Bonds Reserve Account and unexpended Bond proceeds. 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, the Series 1990 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity therewith, provided however, that so long as there exists in the Series 1990 B Bonds Reserve Account and the reserve account established for the Series 1990 A Bonds, respectively, amounts at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds and the Series 1990 A Bonds in the then current or any succeeding year, and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the 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 Bond Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements as 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, shall be applied solely to the payment of the Costs of the Project 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 owners of the Bonds, which lien is subordinate to the lien in favor of the registered owners of the Series 1990 A Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been 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, GUTHRIE PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated March 30, 1990.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1990 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

Guthrie Public Service District
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 30-Mar-90

Date	Interest Free Loan
01-Oct-90	
01-Oct-91	1,051.42
01-Oct-92	1,051.41
01-Oct-93	1,051.41
01-Oct-94	1,051.41
01-Oct-95	1,051.41
01-Oct-96	1,051.41
01-Oct-97	1,051.41
01-Oct-98	1,051.41
01-Oct-99	1,051.41
01-Oct-2000	1,051.41
01-Oct-2001	1,051.41
01-Oct-2002	1,051.41
01-Oct-2003	1,051.41
01-Oct-2004	1,051.41
01-Oct-2005	1,051.41
01-Oct-2006	1,051.41
01-Oct-2007	1,051.41
01-Oct-2008	1,051.41
01-Oct-2009	1,051.41
01-Oct-2010	1,051.41
01-Oct-2011	1,051.41
01-Oct-2012	1,051.41
01-Oct-2013	1,051.41
01-Oct-2014	1,051.41
01-Oct-2015	1,051.41
01-Oct-2016	1,051.41
01-Oct-2017	1,051.41
01-Oct-2018	1,051.41
01-Oct-2019	1,051.41
01-Oct-2020	1,051.41
01-Oct-2021	1,051.41
01-Oct-2022	1,051.41
01-Oct-2023	1,051.41
01-Oct-2024	1,051.41
01-Oct-2025	1,051.41
01-Oct-2026	1,051.41
01-Oct-2027	1,051.41
01-Oct-2028	1,051.41
01-Oct-2029	1,051.41
	41,005.00

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:

_____

03/28/90
GUTJ.V2
36733/89001

ALL STATE LEGAL SUPPLY CO. 1301 COMMERCE DRIVE, CINN NEW JERSEY 07036 ED 11-10

STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

TELECOPIER (304) 624-8183

CHARLES W. YEAGER
CARL F. STUCKY, JR.
HERBERT G. UNDERWOOD
JACKSON L. ANDERSON
OTIS L. O'CONNOR
ROBERT G. STEELE
J. LEE VAN METRE, JR.
JAMES M. WILSON
PATRICK D. DEEM
ROBERT M. STEPTOE, JR.
ANNE R. WILLIAMS
JAMES R. WATSON
JAMES D. GRAY
DOUGLAS S. ROCKWELL
VINCENT A. COLLINS
JAMES A. RUSSELL
LUCIEN G. LEWIN
WILLIAM T. BELCHER
MICHAEL L. BRAY
JAMES D. STEPTOE
DAVID C. CLOVIS
DANIEL R. SCHUDA
J. GREG GOODYKOONTZ
IRENE M. KEELEY
EVANS L. KING, JR.
WALTER L. WILLIAMS
SUSAN S. BREWER
SPRAGUE W. HAZARD
HERSCHEL H. ROSE III
DAVID LAYVA
GRAY SILVER III
RONALD H. HANLAN
C. DAVID MORRISON
HARRY P. WADDELL
CLEMENT D. CARTER III
W. HENRY LAWRENCE IV
J. ROBERT GWYNNE
WILLIAM E. GALEOTA
CHRISTOPHER P. BASTIEN
GORDON H. COPLAND
RANDALL C. LIGHT
STEVEN P. McGOWAN

CHARLESTON OFFICE
715 CHARLESTON NATIONAL PLAZA
P. O. BOX 1588
CHARLESTON, W. VA. 25326
(304) 342-2191
TELECOPIER (304) 342-0726

MARTINSBURG OFFICE
126 EAST BURKE STREET
MARTINSBURG, W. VA. 25401
(304) 263-6991
TELECOPIER (304) 263-4785

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

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

RICHARD M. YURKO, JR.
GARY W. NICKERSON
CURTIS G. POWER III
STEPHEN R. KERSHNER
W. RANDOLPH FIFE
MARTIN R. SMITH, JR.
LOUIS E. ENDERLE, JR.
ROBERT J. SCHIAVONI
JOHN K. DORSEY
WALTER WASHINGTON
JOSEPH R. FERRETTI
MARK E. KINLEY
MARCIA J. POLLARD
BRYAN R. COKELEY
PATRICK D. KELLY
FRANCESCA TAN
CHRISTINE S. VAGLIENTI
WILLIAM P. YOUNG
DAVID M. HAMMER
WILLIAM F. ROHRBAUGH
CAROLINE J. STAFFORD
MARILYN ANN VROOM
MATTHEW J. MULLANEY
BRENT O. BURTON
PAUL R. CRANSTON
JONATHAN P. JESTER
GRACE J. WIGAL
GINA M. HOUSEHOLDER
MICHAEL KOZAKEWICH, JR.
CYNTHIA R. TRIBBLE

OF COUNSEL
RALPH BOHANNON
ROGER J. PERRY

WRITER'S DIRECT DIAL NUMBER

March 30, 1990

Guthrie Public Service District
<u>Sewer Revenue Bonds, Series 1990 A</u>

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25064

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Guthrie Public Service District (the "Issuer"), a public service district and public corporation and political subdivision created and existing under the laws of the State of West Virginia, of its $878,695 Sewer Revenue Bonds, Series 1990 A, dated the date hereof (the "Local Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated March 30, 1990, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority") and the Local Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are originally issued in the form of one bond, registered as to principal and interest to the Authority, with interest payable April 1 and October 1 of each year, commencing October 1, 1990, at the rate of 7.85% per annum, and with principal installments payable on October 1 in each of the years 1991 through 2029, inclusive, all as set forth in "Schedule X," attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local 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 13A of the West Virginia Code of 1931, as amended (the "Local Statute"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain new sewerage facilities of the Issuer (the "Project"); (ii) to pay interest on the Local Bonds during the construction of the Project and for not more than 6 months thereafter; and (iii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of the Local Statute, the bond and notes resolution duly adopted by the Issuer on March 29, 1990, as supplemented by a supplemental resolution adopted March 29, 1990 (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 that has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

1. The Issuer is a duly organized and validly existing public service district and political subdivision of the State of West Virginia, with corporate power and authority to acquire and construct the Project, to operate and maintain the System referred to in the Loan Agreement and to issue and sell the Local Bonds, all under the Local Statute 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 cannot be amended so as to affect adversely the rights of the Authority or diminish the obligations of the Issuer without the written consent of the Authority.

3. The Local Act and all other necessary orders and resolutions have been duly and effectively adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable upon the Issuer. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

4. The Local 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 Local Act and secured by a first lien on and pledge of the Net Revenues of said System, all in accordance with the terms of the Local Bonds and the Local Act.

5. The interest on the Local Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes

of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that, for purposes of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years beginning after December 31, 1989). The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Local Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Local Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Local Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Local Bonds.

6. The Local Bonds are, under the Local Statute, exempt from direct taxation by the State of West Virginia, and the other taxing bodies of the State, and the interest on the Local Bonds is exempt from personal and corporate income taxes imposed directly thereon by the State of West Virginia.

7. The time for appeal of the Final Order of the Public Service Commission of West Virginia entered March 15, 1990 (Case No. 89-795-PSD-CN), granting to the Issuer a Certificate of Public Convenience and Necessity has not expired prior to the date hereof; however, the staff of the Public Service Commission of West Virginia has stated in a letter dated March 26, 1990, as clarified by letter dated March 27, 1990, among other things, that it does not intend to appeal such Final Order and that the staff is aware of no intervenors or other parties in the case. The Issuer has stated that it does not intend to appeal such Final Order.

It is to be understood that the rights of the holders of the Local Bonds and the enforceability of the Local Bonds, the Loan Agreement, the Local Act and the liens and pledges 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 Local 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

STEPTOE & JOHNSON

03/28/90
GUTJ.F5
36733/89001

STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

TELECOPIER (304) 624-8183

CHARLES W. YEAGER
CARL F. STUCKY, JR.
HERBERT G. UNDERWOOD
JACKSON L. ANDERSON
OTIS L. O'CONNOR
ROBERT G. STEELE
J. LEE VAN METRE, JR.
JAMES M. WILSON
PATRICK D. DEEM
ROBERT M. STEPTOE, JR.
ANNE R. WILLIAMS
JAMES R. WATSON
JAMES D. GRAY
DOUGLAS S. ROCKWELL
VINCENT A. COLLINS
JAMES A. RUSSELL
LUCIEN G. LEWIN
WILLIAM T. BELCHER
MICHAEL L. BRAY
JAMES D. STEPTOE
DAVID C. CLOVIS
DANIEL R. SCHUDA
J. GREG GOODYKOONTZ
IRENE M. KEELEY
EVANS L. KING, JR.
WALTER L. WILLIAMS
SUSAN S. BREWER
SPRAGUE W. HAZARD
HERSCHEL H. ROSE III
DAVID LAYVA
GRAY SILVER III
RONALD H. HANLAN
C. DAVID MORRISON
HARRY P. WADDELL
CLEMENT D. CARTER III
W. HENRY LAWRENCE IV
J. ROBERT GWYNNE
WILLIAM E. GALEOTA
CHRISTOPHER P. BASTIEN
GORDON H. COPLAND
RANDALL C. LIGHT
STEVEN P. McGOWAN

CHARLESTON OFFICE
715 CHARLESTON NATIONAL PLAZA
P. O. BOX 1588
CHARLESTON, W. VA. 25326
(304) 342-2191
TELECOPIER (304) 342-0726

MARTINSBURG OFFICE
126 EAST BURKE STREET
MARTINSBURG, W. VA. 25401
(304) 263-6991
TELECOPIER (304) 263-4785

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

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

RICHARD M. YURKO, JR.
GARY W. NICKERSON
CURTIS G. POWER III
STEPHEN R. KERSHNER
W. RANDOLPH FIFE
MARTIN R. SMITH, JR.
LOUIS E. ENDERLE, JR.
ROBERT J. SCHIAVONI
JOHN K. DORSEY
WALTER WASHINGTON
JOSEPH R. FERRETTI
MARK E. KINLEY
MARCIA J. POLLARD
BRYAN R. COKELEY
PATRICK D. KELLY
FRANCESCA TAN
CHRISTINE S. VAGLIENTI
WILLIAM P. YOUNG
DAVID M. HAMMER
WILLIAM F. ROHRBAUGH
CAROLINE J. STAFFORD
MARILYN ANN VROOM
MATTHEW J. MULLANEY
BRENT O. BURTON
PAUL R. CRANSTON
JONATHAN P. JESTER
GRACE J. WIGAL
GINA M. HOUSEHOLDER
MICHAEL KOZAKEWICH, JR.
CYNTHIA R. TRIBBLE

OF COUNSEL
RALPH BOHANNON
ROGER J. PERRY

WRITER'S DIRECT DIAL NUMBER

March 30, 1990

Guthrie Public Service District
Sewer Revenue Bonds, Series 1990 B

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25064

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Guthrie Public Service District (the "Issuer"), a public service district and public corporation and political subdivision created and existing under the laws of the State of West Virginia of its $41,005 Sewer Revenue Bonds, Series 1990 B, dated the date hereof (the "Supplemental Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a supplemental loan agreement, dated March 30, 1990, including all schedules and exhibits attached thereto (the "Supplemental Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority") and the Supplemental Bonds, which are to be purchased by the Authority in accordance with the provisions of the Supplemental Loan Agreement. The Supplemental Bonds are originally issued in the form of one bond registered as to principal to the Authority, without interest thereon, with principal payable in installments on October 1 in each of the years 1991 through 2029, inclusive, all as set forth in "Schedule X," attached to the Supplemental Loan Agreement and incorporated in and made part of the Supplemental Bonds.

The Supplemental 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 13A of the Code of West Virginia, 1931, as amended (the "Local Statute"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain new sewerage facilities of the Issuer (the "Project"); and (ii) paying certain issuance and other costs in connection therewith.

The Supplemental Loan Agreement is supplemental to a loan agreement also dated March 30, 1990, between the Issuer and the Authority (the "Loan Agreement"). The Supplemental Bonds are junior, subordinate and inferior as to liens, pledge and source of and security for payment to the bonds issued pursuant to the Loan Agreement and designated "Sewer Revenue Bonds, Series 1990 A" (the "Local Bonds"), which Local Bonds are issued simultaneously herewith.

We have also examined the applicable provisions of the Local Statute, the bond and notes resolution duly adopted by the Issuer on March 29, 1990, as supplemented by a supplemental resolution adopted March 29, 1990 (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Supplemental Bonds are authorized and issued and the Supplemental Loan Agreement that has been undertaken. The Supplemental 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 Supplemental Loan Agreement.

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

1. The Issuer is a duly organized and validly existing public service district and political subdivision of the State of West Virginia, with corporate power and authority to acquire and construct the Project, to operate and maintain the System referred to in the Supplemental Loan Agreement and to issue and sell the Supplemental Bonds, all under the Local Statute and other applicable provisions of law.

2. The Supplemental 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 cannot be amended so as to affect adversely the rights of the Authority or diminish the obligations of the Issuer without the written consent of the Authority.

3. The Local Act and all other necessary orders and resolutions have been duly and effectively adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable upon the Issuer. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Supplemental Loan Agreement.

4. The Supplemental 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 Local Act and secured by a lien on and pledge of

the Net Revenues of said System, junior and subordinate only to the Local Bonds, all in accordance with the terms of the Supplemental Bonds and the Local Act.

5. The Issuer has reserved the right to issue additional bonds ranking on a parity with the Supplemental Bonds, as provided in the Local Act.

6. The Supplemental Bonds are, under the Local Statute, exempt from direct taxation by the State of West Virginia, and the other taxing bodies of the State.

7. The time for appeal of the Final Order of the Public Service Commission of West Virginia entered March 15, 1990 (Case No. 89-795-PSD-CN), granting to the Issuer a Certificate of Public Convenience and Necessity has not expired prior to the date hereof; however, the staff of the Public Service Commission of West Virginia has stated in a letter dated March 26, 1990, as clarified by letter dated March 27, 1990, that it does not intend to appeal such Order and that the staff is aware of no intervenors or other parties in the case. The Issuer has stated that it does not intend to appeal such Order.

It is to be understood that the rights of the holders of the Supplemental Bonds and the enforceability of the Supplemental Bonds, the Supplemental Loan Agreement, the Local Act and the liens and pledges 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 Supplemental Bond numbered BR-1, and in our opinion the form of such bond and its execution and authentication are regular and proper.

Very truly yours,

Steptoe & Johnson

STEPTOE & JOHNSON

03/28/90
GUTJ.G5
36733/89001

STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

TELECOPIER (304) 624-8183

CHARLES W. YEAGER
CARL F. STUCKY, JR.
HERBERT G. UNDERWOOD
JACKSON L. ANDERSON
OTIS L. O'CONNOR
ROBERT G. STEELE
J. LEE VAN METRE, JR.
JAMES M. WILSON
PATRICK D. DEEM
ROBERT M. STEPTOE, JR.
ANNE R. WILLIAMS
JAMES R. WATSON
JAMES D. GRAY
DOUGLAS S. ROCKWELL
VINCENT A. COLLINS
JAMES A. RUSSELL
LUCIEN G. LEWIN
WILLIAM T. BELCHER
MICHAEL L. BRAY
JAMES D. STEPTOE
DAVID C. CLOVIS
DANIEL R. SCHUDA
J. GREG GOODYKOONTZ
IRENE M. KEELEY
EVANS L. KING, JR.
WALTER L. WILLIAMS
SUSAN S. BREWER
SPRAGUE W. HAZARD
HERSCHEL H. ROSE III
DAVID LAYVA
GRAY SILVER III
RONALD H. HANLAN
C. DAVID MORRISON
HARRY P. WADDELL
CLEMENT D. CARTER III
W. HENRY LAWRENCE IV
J. ROBERT GWYNNE
WILLIAM E. GALEOTA
CHRISTOPHER P. BASTIEN
GORDON H. COPLAND
RANDALL C. LIGHT
STEVEN P. McGOWAN

CHARLESTON OFFICE
715 CHARLESTON NATIONAL PLAZA
P. O. BOX 1588
CHARLESTON, W. VA. 25326
(304) 342-2191
TELECOPIER (304) 342-0726

MARTINSBURG OFFICE
126 EAST BURKE STREET
MARTINSBURG, W. VA. 25401
(304) 263-6991
TELECOPIER (304) 263-4785

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

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

RICHARD M. YURKO, JR.
GARY W. NICKERSON
CURTIS G. POWER III
STEPHEN R. KERSHNER
W. RANDOLPH FIFE
MARTIN R. SMITH, JR.
LOUIS E. ENDERLE, JR.
ROBERT J. SCHIAVONI
JOHN K. DORSEY
WALTER WASHINGTON
JOSEPH R. FERRETTI
MARK E. KINLEY
MARCIA J. POLLARD
BRYAN R. COKELEY
PATRICK D. KELLY
FRANCESCA TAN
CHRISTINE S. VAGLIENTI
WILLIAM P. YOUNG
DAVID M. HAMMER
WILLIAM F. ROHRBAUGH
CAROLINE J. STAFFORD
MARILYN ANN VROOM
MATTHEW J. MULLANEY
BRENT O. BURTON
PAUL R. CRANSTON
JONATHAN P. JESTER
GRACE J. WIGAL
GINA M. HOUSEHOLDER
MICHAEL KOZAKEWICH, JR.
CYNTHIA R. TRIBBLE

OF COUNSEL
RALPH BOHANNON
ROGER J. PERRY

WRITER'S DIRECT DIAL NUMBER

March 30, 1990

Guthrie Public Service District
Sewer Revenue Bonds, Series 1990 A

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25064

Ladies and Gentlemen:

We have examined a transcript of proceedings relating to the issuance of $878,695 aggregate principal amount of Sewer Revenue Bonds, Series 1990 A (the "Local Bonds"), of Guthrie Public Service District (the "Issuer"), and a Certificate as to Arbitrage executed by the Chairman of the Issuer on this date.

Based upon such Certificate as to Arbitrage, we are of the opinion that the facts, estimates and circumstances set forth in the Certificate as to Arbitrage are sufficient to satisfy the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), to support the conclusion that the Local Bonds are not "arbitrage bonds" as therein defined. While we have undertaken no independent verification or investigation of the certifications, statements, expectations or representations set forth in such Certificate as to Arbitrage, no matters have come to our attention which make unreasonable or incorrect such certifications, statements, expectations or representations.

Assuming compliance with the certifications, representations, warranties and covenants contained in such Certificate as to Arbitrage, the proceeds from the sale of the Local Bonds in the Bond Construction Trust Fund described in such Certificate as to Arbitrage will not be subject to rebate to the United States under Section 148(f) of the Code.

11

Accordingly, it is our opinion that, under existing statutes, regulations, rulings and court decisions, the Local Bonds are not "arbitrage bonds" as so defined.

The opinions set forth above are subject to the condition that the Issuer comply with all requirements of the Code relating to arbitrage that must be satisfied subsequent to the issuance of the Local Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with such requirements may cause the inclusion of interest on the Local Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Local Bonds.

Very truly yours,

Steptoe & Johnson

STEPTOE & JOHNSON

03/28/90
GUTJ.H2
36733/89001

HANNA AND HANNA

ATTORNEYS-AT-LAW
1510 KANAWHA BOULEVARD, EAST
CHARLESTON, WEST VIRGINIA 25311
(304) 342-2137

HOMER W. HANNA, JR.
SAMUEL F. HANNA
H. WYATT HANNA, III

MAILING ADDRESS:
P.O. BOX 2311
CHARLESTON, W. VIRGINIA 25328

March 30, 1990

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, WV 25064

Steptoe & Johnson
Post Office Box 2190
Clarksburg, WV 26301

Re: Guthrie Public Service District Sewer Revenue Bonds, Series 1990 A and Series 1990 B

Ladies and Gentlemen:

We are counsel to Guthrie Public Service District, a public service district, in Kanawha County, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinions of Steptoe & Johnson, as bond counsel, a loan agreement and supplemental loan agreement, both dated March 30, 1990, by and between the West Virginia Water Development Authority (the "Authority") and the Issuer (collectively, the "Loan Agreement"), the Local Act (as defined therein) and other documents, papers, agreements, instruments and certificates relating to the above-captioned Bonds of the Issuer and orders of the County Commission of Kanawha County relating to the Issuer and the appointment of members of the Public Service Board of the Issuer. Terms used in said opinions, Local Act and Loan Agreement and not otherwise defined herein have the same meanings herein.

We are of the opinion that:

1. The Issuer is duly created and validly existing as a public service district and as a public corporation and political subdivision of the State of West Virginia.

2. 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 in accordance with its terms.

3. The members and officers of the Public Service Board of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

4. The Local Act has been duly adopted by the Issuer and is in full force and effect.

5. 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 Local Act, and the carrying out of the terms thereof, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any agreement, document or instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, rule, order or decree to which the Issuer is subject.

6. The Issuer has received, or there have been entered, all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges, including, without limitation, all requisite orders, consents, certificates and approvals from the County Commission of Kanawha County and the Public Service Commission of West Virginia, and the Issuer has taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. The time for appeal of the final order of the Public Service Commission of West Virginia entered March 15, 1990, in Case No. 89-795-PSD-CN, among other things, approving and consenting to the issuance of the Bonds and granting to the Issuer a certificate of public convenience and necessity for the Project has not expired prior to the date hereof; however, such final order is not subject to appeal by any customer, protestant, intervenor or other person not a party to the original application. The Issuer and the Public Service Commission of West Virginia are the only parties to such Case No. 89-795-PSD-CN. The Public Service Commission staff has stated in a letter dated March 26, 1990, as clarified by letter dated March 27, 1990, that it does not intend to file a petition for reconsideration, further hearing, rehearing or

reopening or appeal or otherwise challenge such final order. The Issuer does not intend to file a petition for reconsideration, further hearing, rehearing or reopening of or appeal such final order, except that the Issuer reserves the right to petition for reopening for the sole purpose of requesting a modification of the rates and charges set forth in such final order, provided that such modification will not result in a violation of the rate covenants set forth in the Local Act, as evidenced by a certificate of an independent certified public accountant.

7. The Issuer has duly published a notice of the acquisition and construction of the Project, issuance of the Bonds and related matters, as required under Chapter 16, Article 13A, Section 25 of the West Virginia Code of 1931, as amended, and has duly complied with the provisions thereof.

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

9. The Issuer will use the National Pollutant Discharge Elimination System Water Pollution Control Permit ("NPDES Permit") of the City of Charleston. Nevertheless, the Issuer has also applied for an NPDES Permit with respect to the Project, and the State of West Virginia Department of Natural Resources has stated in a letter dated March 28, 1990, that such NPDES Permit would be issued, provided no adverse public comments are received on the Project. The Issuer has an approved erosion control plan with respect to the Project.

All counsel to this transaction may relay upon this opinion as if sepcifically addressed to them.

Sincerely,

H. Wyatt Hanna, III
HANNA & HANNA

HWHIII/rb

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

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. GRANTS
11. LOAN AGREEMENT
12. RATES
13. SIGNATURES AND DELIVERY
14. BOND PROCEEDS
15. PUBLICATION OF NOTICE OF BORROWING AND PSC FILING
16. PRIVATE USE OF FACILITIES
17. NO FEDERAL GUARANTY
18. IRS INFORMATION RETURN
19. SPECIMEN BONDS

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Guthrie Public Service District, in Kanawha County, West Virginia (the "Issuer"), and the undersigned ATTORNEY for the Issuer, hereby certify in connection with the $919,700 aggregate principal amount of Guthrie Public Service District Sewer Revenue Bonds, Series 1990 A and Series 1990 B (collectively, the "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined shall have the same meaning as in the Bond and Notes Resolution of the Issuer adopted March 29, 1990, and a Supplemental Resolution adopted March 29, 1990 (collectively, the "Local Act").

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 or construction of the Project, the operation of the System, the receipt of the Grant Receipts or the Net Revenues, or in any way contesting or affecting the validity of the Bonds or the Grants 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 receipt of the Grant Receipts or such pledge or application of moneys and security or the collection of the Net Revenues or pledge thereof.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. The Issuer will use the National Pollutant Discharge Elimination System Water Pollution Control Permit ("NPDES Permit") of the City of Charleston. The Issuer has also applied for an NPDES Permit with respect to the Project, and the State of West Virginia Department of Natural Resources has stated in a letter dated March 28, 1990, that such NPDES Permit would be issued, provided no adverse comments are received on the Project. The Issuer has an approved erosion control plan with respect to the Project. Competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the Official 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 and 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. There are no outstanding debt obligations of the Issuer, which are secured by any revenues and/or assets of the System. The Issuer does have outstanding its $181,000 Water Revenue Bond, Series 1985, which is not payable from or entitled to any lien on or pledge of any of the revenues of the System, or a statutory mortgage lien thereon.

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, altered, supplemented or changed in any way unless modification appears from later documents also listed below:

Orders of County Commission proposing and creating Public Service District and Affidavit of Publication.

Orders of County Commission appointing current members to Public Service Board.

Oaths of Office of current members of Public Service Board.

Bond and Notes Resolution.

Supplemental Resolution.

Rules of Procedure of Public Service Board.

Affidavits of Publication of Notice of Borrowing and Filing of PSC Application.

Minutes of 1990 Organizational Meeting of Public Service Board.

Minutes on Adoption of Bond and Notes Resolution and Supplemental Resolution.

Loan Agreement and Supplemental Loan Agreement.

EPA Grant Agreement, with Part B Amendment.

Evidence of Grant Commitments of the Kanawha County Commission.

Public Service Commission Order entered March 15, 1990, and letter on appeal, contest, etc. and Order entered December 1, 1989.

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Guthrie Public Service District." The Issuer is a public service district and public corporation duly created by the County Commission of Kanawha County and presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its Public Service Board consisting of 3 duly appointed, qualified and acting members whose names and dates of commencement and termination of current terms of office are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
John Johnson	December, 1989	November, 1995
Erick Haynes	November, 1987	October, 1993
Robert Wayne Taylor	February, 1988	November, 1991

The names of the duly elected and/or appointed, qualified and acting officers of the Public Service Board of the Issuer for the calendar year 1990 are as follows:

Chairman	-	Erick Haynes
Secretary	-	Robert Wayne Taylor
Treasurer	-	John Johnson

The duly appointed and acting counsel to Issuer is Hanna and Hanna, Charleston, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the System have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which may have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Bonds.

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

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Local Act. All insurance for the System required by the Local Act is in full force and effect. The System is not presently covered by policies of flood or business interruption insurance, but will be if such coverages are available at reasonable cost.

10. GRANTS: As of the date hereof, the United States Environmental Protection Agency has committed to the Issuer a grant in the amount of $1,654,950, and the County Commission of Kanawha County has committed, or intends to commit, to the Issuer a grant in the amount of $482,400. Each such grant is, as of this date, in full force and effect.

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

12. RATES: The Issuer has received the Final Order of the Public Service Commission of West Virginia entered on March 15, 1990 (Case No. 89-795-PSD-CN), among other things, granting to the Issuer a Certificate of Public Convenience and Necessity for the Project, approving and rates and charges for the services of the System and approving and consenting to the issuance of the Bonds and the financing for the Project, and has adopted a resolution prescribing such rates and charges. The time for appeal of such Final Order has not expired prior to the date hereof; however, the staff of the Public Service Commission of West Virginia has stated in a letter dated March 26, 1990, as clarified, that it does not intend to file a petition for reconsideration, further hearing, rehearing or reopening of or appeal or to otherwise challenge such Final Order. There are no intervenors, protestants or other parties of record in the case, other than the Issuer and the Public Service Commission of West Virginia. The Issuer will not petition for reconsideration, further hearing, rehearing or reopening or appeal or otherwise challenge such Final Order of the Public Service Commission of West Virginia entered on March 15, 1990, in Case No. 89-795-PSD-CN,

except that the Issuer reserves the right to petition for reopening for the sole purpose of requesting a modification of the rates and charges set forth in such final order, provided that such modification will not result in a violation of the rate covenants set forth in the Local Act, as evidenced by a certificate of an independent certified public accountant.

13. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Bonds of the aforesaid issue, all dated March 30, 1990, by his manual signature, and the undersigned Secretary did officially cause the official seal of the Issuer to be affixed upon each of said Bonds and to be attested by his manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

14. BOND PROCEEDS: On the date hereof the Issuer received from the Authority the agreed purchase price of the Bonds, being $919,700 (100% of par value), there being no interest accrued thereon.

15. PUBLICATION OF NOTICE OF BORROWING AND PSC FILING: The Issuer has published any required notice with respect to, among other things, the acquisition and construction of the Project, anticipated user rates and charges, issuance of the Bonds and filing of a formal application for a Certificate of Public Convenience and Necessity with the Public Service Commission of West Virginia, in accordance with Chapter 16, Article 13A, Section 25 of the Official West Virginia Code of 1931, as amended.

16. PRIVATE USE OF FACILITIES: The Issuer shall at all times take, and refrain from taking, and shall not fail to take, any and all actions to assure the initial and continued tax-exempt status of the Bonds and the interest thereon. Less than 10% of the proceeds of the Bonds will be used, directly or indirectly, for any private business use, and less than 10% of the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or 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. None of the proceeds of the Bonds will be used, directly or indirectly, for any private business use which is not related to the governmental use of the proceeds of the Bonds, including the disproportionate related business use of the proceeds of the Bonds, and none of the payment of principal of, or interest on, such issue, under the terms of such

issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or 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 with respect to such private business use, which is not related to any government use of such proceeds, including the disproportionate related business use of the issue of the Bonds. None of the proceeds of the issue of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than governmental units. For purposes of this paragraph, private business use means use, directly or indirectly, in a trade or business carried on by any person, including related persons, other than a governmental unit, other than use as a member of the general public. All of the foregoing have been and are to be determined in accordance with and within the meaning of the Internal Revenue Code of 1986, as amended (including any amendments and successor provisions and the rules and regulations thereunder, the "Code").

17. NO FEDERAL GUARANTY: The Bonds are not and will not be, in whole or part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

18. IRS INFORMATION RETURN: On the date hereof, the undersigned Chairman did officially execute a properly completed IRS Form 8038-G in connection with the Bonds and will cause such executed Form 8038-G to be filed in a timely manner pursuant to Section 149(e) of the Code with the Internal Revenue Service Center, Philadelphia, Pennsylvania. The information contained in such executed Form 8038-G is true, correct and complete.

19. SPECIMEN BONDS: Delivered concurrently herewith are true and accurate specimens of the Bonds.

WITNESS our signatures and the official seal of GUTHRIE PUBLIC SERVICE DISTRICT on this 30th day of March, 1990.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	Chairman
_____	Secretary
_____	Counsel to Issuer

03/28/90
GUTJ.J5
36733/89001

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD NEW JERSEY 07016

ED 11-1C

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A

CERTIFICATE AS TO ARBITRAGE

I, Erick Haynes, Chairman of the Public Service Board of Guthrie Public Service District, in Kanawha County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $878,695 aggregate principal amount of Sewer Revenue Bonds, Series 1990 A, of the Issuer, dated March 30, 1990 (the "Local Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (the "Code"). I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds, hereinafter defined. I am familiar with the facts, circumstances and estimates herein certified and am duly authorized to execute and deliver this certificate on behalf of the Issuer.

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

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

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on March 30, 1990, the date on which the Bonds are to be physically delivered in exchange for the issue price thereof, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. In the Resolution pursuant to which the Bonds are issued, the Issuer has covenanted 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 Bonds which would cause the 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 Bonds) so that the interest on the Bonds

will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

6. The Local Bonds and the Series 1990 B Bonds (the "Supplemental Bonds"), which Supplemental Bonds bear no interest, were sold on March 30, 1990, to the West Virginia Water Development Authority (the "Authority") for an aggregate purchase price of $919,700 (100% of par), there being no accrued interest paid thereon. The Supplemental Bonds are junior and subordinate to the Local Bonds. The Local Bonds and the Supplemental Bonds are collectively herein referred to as the "Bonds."

7. The Local 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 new sewerage facilities of the Issuer (the "Project"); (ii) paying interest on the Local Bonds during the construction of the Project and for not more than 6 months thereafter; and (iii) paying costs of issuance of the Local Bonds. The Supplemental 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 the Project; and (ii) paying costs of issuance of the Supplemental Bonds.

8. The Issuer shall, within 30 days following delivery of the Bonds, enter into agreements which require the Issuer to expend in excess of $100,000 on the Project, constituting a substantial binding commitment, or has already done so. Acquisition, construction and equipping of the Project will proceed with due diligence to completion, and, with the exception of proceeds constituting capitalized interest, 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 September, 1990, except as otherwise required for rebate to the United States under Section 148(f) of the Code. Construction of the Project is expected to be completed by March, 1991.

9. The total cost of the Project (including all costs of issuance of the Bonds) is estimated at $3,077,050. Sources and uses of funds for the Project are as follows:

SOURCES

Gross Proceeds of Local Bonds	$ 878,695
Gross Proceeds of Supplemental Bonds	41,005
EPA Grant	1,654,950
County Commission of Kanawha County Grant	482,400
Anticipated Investment Earnings	20,000
Total Sources	$3,077,050

USES

Acquisition and Construction of Project	$2,981,550
Capitalized Interest on Local Bonds	80,500
Funded Reserve for Local Bonds	-0-
Funded Reserve for Supplemental Bonds	-0-
Costs of Issuance of Bonds	15,000
Total Uses	$3,077,050

The amount of Project costs not expected to be reimbursed or paid from Supplemental Bond proceeds, the EPA Grant receipts and receipts from the grant from the County Commission of Kanawha County is estimated to be at least equal to the gross proceeds of the Local Bonds. Except for the proceeds of the Local Bonds, the Supplemental Bonds, the EPA Grant, the grant from the County Commission of Kanawha County and interest earnings during construction (to the extent not required for rebate to the United States under Section 148(f) of the Code), no other funds of the Issuer will be available to meet costs of the Project, and no balances are available to meet such costs in any account which may, without legislative or judicial action, be invaded to pay such expenditures without a legislative, judicial or contractual requirement that such account be reimbursed.

10. Pursuant to Article V of the Local Act, the following special funds or accounts have been created:

(1) Revenue Fund;

(2) Renewal and Replacement Account;

(3) Bond Construction Trust Fund;

(4) Rebate Fund;

(5) Series 1990 A Bonds Sinking Fund, and within the Series 1990 A Bonds Sinking Fund, the Series 1990 A Bonds Reserve Account; and

(6) Series 1990 B Bonds Sinking Fund, and within the Series 1990 B Bonds Sinking Fund, the Series 1990 B Bonds Reserve Account.

11. Pursuant to Article VI of the Local Act, the proceeds of the Local Bonds (and the Supplemental Bonds) will be deposited as follows:

(1) Local Bonds proceeds in the amount of $80,500 will be deposited in the Series 1990 A Bonds Sinking Fund and applied to payment of interest on the Local Bonds during construction of the Project and for a period not to exceed six months following completion thereof.

(2) Local Bonds proceeds in the amount of $-0- and Supplemental Bonds proceeds in the amount of $-0- will be deposited in the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account, respectively.

(3) The balance of the proceeds of the Local Bonds and the Supplemental Bonds will be deposited in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project, including costs of issuance of the Bonds and related costs. Amounts in the Bond Construction Trust Fund, if invested, will be invested without yield limitation for a period necessary to complete the Project, not to exceed 3 years.

12. Moneys held in the Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund will be used solely to pay principal of and interest on the Local Bonds and the Supplemental Bonds, respectively, and will not be available to meet costs of acquisition and construction of the Project. Except to the extent transferred to the Rebate Fund at the request of the Issuer, all investment earnings on moneys in the Series 1990 A Bonds Sinking Fund and Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Sinking Fund and Series 1990 B Bonds Reserve Account will be withdrawn therefrom, not less than once each year, and, during construction of the Project, deposited into the Bond Construction Trust Fund, and following completion of construction of the Project, will be deposited in the Revenue Fund, and such amounts will be applied in full, first to the next ensuing interest payments, if any, due on the respective

series of Local Bonds and Supplemental Bonds, and then to the next ensuing principal payments due thereon.

13. Except for the Series 1990 A Bonds Sinking Fund and the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Sinking Fund and Series 1990 B Bonds Reserve Account, there are no other funds or accounts established or held by the Issuer which are reasonably expected to be used to pay debt service on the Local Bonds or the Supplemental Bonds, respectively, or which are pledged as collateral for the Local Bonds or the Supplemental Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Local Bonds or the Supplemental Bonds, if the Issuer encounters financial difficulties. The Issuer does not expect that moneys in the Rebate Fund or the Renewal and Replacement Fund will be used or needed for payments upon the Bonds are available and, because such amounts may be expended for other purposes, there is no reasonable assurance that such amounts would be available to meet debt service if the Issuer encounters financial difficulties; thus, such amounts may be invested without yield limitation. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts, investment-type property or any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved desegregation plan producing a yield in excess of the yield on the Bonds, have been or will be pledged to payment of the Bonds. Less than 10% of the proceeds of the Local Bonds will be deposited in the Series 1990 A Bonds Reserve Account or any other reserve or replacement fund, and less than 10% of the proceeds of the Supplemental Bonds will be deposited in the Series 1990 B Bonds Reserve Account or any other reserve or replacement fund. The amounts deposited in the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account from time to time by the Issuer will not exceed the maximum annual principal and interest on the Local Bonds and the Supplemental Bonds, respectively, and will not exceed 125% of average annual principal and interest on the Local Bonds and the Supplemental Bonds, respectively. Amounts in the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account, not to exceed 10% of the proceeds of the Local Bonds and the Supplemental Bonds, respectively, if invested, will be invested without yield limitation. The establishment of the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account are required by the Authority, are vital to its purchase of the Local Bonds and the Supplemental Bonds, respectively, and are reasonably required to assure payments of debt service on the Local Bonds and the Supplemental Bonds, respectively.

14. The Issuer expects to enter into a contract within 6 months of the date hereof, or has already entered into such a contract, for the construction of the Project, and the amount to be expended pursuant to such contract exceeds the lesser of 2 1/2% of the estimated total Project cost financed with proceeds from the sale of the Bonds or $100,000.

15. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. Acquisition and construction is expected to be completed within 12 months.

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

17. With the exception of the amount deposited in the Series 1990 A Bonds Sinking Fund for payment of interest on the Local Bonds and amounts deposited in the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account, all of the proceeds of the Bonds will be expended on the Project within 5 months from the date of issuance thereof.

18. The Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund (other than the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account therein) are intended primarily to achieve a proper matching of payments of debt service on the Local Bonds and the Supplemental Bonds, respectively, each year. The Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund (other than the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account therein) will be depleted at least once a year except for a reasonable carryover amount not in excess of the greater of 1/12th of annual debt service on the Local Bonds or the Supplemental Bonds, respectively, or 1 year's interest earnings on the Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund (other than the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account therein). Except as otherwise allowed, any money deposited in the Series 1990 A Bonds Sinking Fund and in the Series 1990 B Bonds Sinking Fund for payment of the principal of or interest on the Local Bonds and the Supplemental Bonds, respectively (other than the Series 1990 A Bonds Reserve Account and Series 1990 B Bonds Reserve Account therein), will be spent within a 13-month period beginning on the date of receipt and will be invested without yield limitation.

19. All the proceeds of the Local Bonds which were used for the payment of costs of the Project will be expended for such purposes within three years of December 27, 1989.

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

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

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

23. No more than 10% of the proceeds of the Bonds will be used (directly or indirectly) in any trade or business carried on by, and less than 5% of the proceeds of Bonds or $5,000,000 have been or will be used to make or finance loans to, any person who is not a governmental unit.

24. The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the issues, except to the extent any such proceeds are required for rebate to the United States.

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

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

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

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

29. The Issuer has retained the right to amend the Resolution authorizing the issuance of the Bonds if such amendment is necessary to assure compliance with Section 148(f) of the Code or as may otherwise be necessary to assure the exclusion of interest on the Bonds from the gross income of the holders thereof.

30. The Issuer shall comply with the yield restriction on Bond proceeds as set forth in the Code.

31. The Issuer has either (a) funded the Series 1990 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Local Bonds in the then current or any succeeding year with the proceeds of the Local Bonds, or (b) created the Series 1990 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10 year period until such Series 1990 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest which will mature and become due on the Local Bonds in the then current or any succeeding year. Moneys in the Series 1990 A Bonds Reserve Account and the local sinking fund (established for the annual payment of principal and interest) will be used solely to pay principal of and interest on the Local Bonds and will not be available to pay costs of the Project.

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

33. The Issuer expects that no part of the Project financed by the Bonds will be sold or otherwise disposed of prior to the last maturity date of the Bonds.

34. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds and the interest thereon. In addition, the Issuer has covenanted to comply with all Regulations from time to time in effect and applicable to the Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and has covenanted to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions

may be contrary to any of the provisions of the Resolutions authorizing issuance of the Bonds.

The Issuer has further covenanted to calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Authority, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. The Issuer has further covenanted pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be in time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor.

35. The Bonds are a fixed yield issue. No interest or other amount payable on any of the Bonds (other than in the event of an unanticipated contingency) is determined by reference to (or by reference to an index that reflects) market interest rates or stock or commodity prices after the date of issue.

36. None of the Bonds has a yield-to-maturity more than one-fourth of one percent higher than the yield on the Bond determined by assuming the Bond is retired on the date that when used in computing the yield on the Bond produces the lowest yield.

37. No portion of the proceeds of the Bonds will be used, directly or indirectly, to replace funds which were used, directly or indirectly, to acquire higher yielding investments, all within the meaning of Section 148 of the Code.

38. 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 of funds or will have substantially the same claim to be paid out of substantially the same sources of funds as the Bonds.

39. The Issuer will expend the gross proceeds of the Bonds (other than any gross proceeds held in the Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund) for the Project no later than the day which is two years after the date of issuance of the Bonds. The Issuer will expend the net proceeds (including, without limitation, investment proceeds earned before the close of the period involved on the investment of the sale proceeds of the Bonds) of the Bonds for the Project within the following periods beginning on the date of issuance of the Bonds:

Not less than 10 percent within 6 months,

Not less than 45 percent within 1 year,

Not less than 75 percent within 18 months, and

Not less than 100 percent within 2 years

(except for a reasonable retainage not exceeding 5% of the net proceeds of the Bonds which will be spent within 3 years). The Issuer shall, within 30 days after the end of each six month period described above, and every six month period thereafter until all the proceeds of the Bonds have been expended for the Project, certify to the Authority the amount of expenditure from Bond proceeds as of the end of such period. The Issuer has elected the application of Section 148(f)(4)(B)(iv)(V) of the Code to the Bonds and has agreed to pay a penalty with respect to the close of each 6-month period after the date the Bonds are issued equal to 1-1/2 percent of the amount of the net proceeds of the Bonds which, as of the close of such period, are not spent as set forth in this paragraph. At least 75% of the net proceeds of the Bonds are to be used for construction expenditures with respect to property owned by the Issuer, and the Project will be owned by the Issuer.

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

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

42. 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.

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

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

IN WITNESS WHEREOF, I have set my hand this 30th day of March, 1990.

GUTHRIE PUBLIC SERVICE DISTRICT

By _____
Its Chairman

03/29/90
GUTJ.K5
36733/89001

CERTIFICATE

The undersigned certifies that I am duly authorized to execute this Certificate on behalf of Dunn Engineers, Inc., Consulting Engineer for Guthrie Public Service District, and, based on the anticipated construction schedule and schedule of expenditures of the proceeds of the Bonds (as defined in the Certificate as to Arbitrage to which this Certificate is attached), the representations set forth in Paragraph 39 of such Certificate as to Arbitrage with respect to the expenditures of proceeds of the Bonds are reasonable.

Dated: March 30, 1990

DUNN ENGINEERS, INC.

By William E. Cunningham

Its Project Manager

09/28/90
GUTJ.Z3
36733/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD, NEW JERSEY 07016

ED 11-1C

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

ENGINEER'S CERTIFICATE

I, Joseph F. Dunn, President, Registered Professional Engineer, West Virginia License No. 4492, of Dunn Engineers, Inc., consulting engineers, of Charleston, West Virginia, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain new sewerage facilities (the "Project") of Guthrie Public Service District in Kanawha County, West Virginia (the "Issuer"). Certain costs of such acquisition and construction are being financed by proceeds of the above-captioned bonds (the "Bonds") anticipated to be purchased by the West Virginia Water Development Authority (the "Authority") and certain grant proceeds from the United States Environmental Protection Agency and the County Commission of Kanawha County.

2. I hereby certify that (i) the Project will be constructed in accordance with the approved plans, specifications and designs prepared by my firm or amendments thereto and as described in the Application submitted to the Authority and approved by all necessary governmental bodies and will be situate wholly or chiefly within the boundaries of Guthrie Public Service District; (ii) the Project is adequate for the purpose for which it was designed and all applicable and necessary governmental approvals, certificates, permits, exemptions, consents and authorizations for the acquisition and construction thereof have been obtained; (iii) I have examined and reviewed all plans, specifications, bid documents and construction contracts relating to the Project and all bids for acquisition and construction of the Project have been received in an amount and are otherwise compatible with the plan of financing described in said Application and I will ascertain that all contractors 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 and completeness prior to commencement of acquisition and construction of the Project; (iv) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States of America necessary for acquisition and construction of the Project; (v) the acquisition and construction of and funding for the Project should proceed to a successful conclusion within the time schedules proposed; (vi) the useful life of the facilities constituting the Project is not less than 40 years; (vii) the rates and charges for the sewerage system of

the Issuer comply with the applicable provisions of the Loan Agreement and Supplemental Loan Agreement by and between the Authority and the Issuer; (viii) the net proceeds of the Bonds, together with the proceeds of the grants and other moneys on deposit or to be simultaneously deposited and irrevocably committed therefor, will be sufficient to pay the costs of acquisition and construction of the Project as set forth in the Application submitted to the Authority as of the date of the Loan Agreement; and (ix) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project and Sources of Funds" for the Project.

WITNESS my signature on this 30th day of March, 1990.

DUNN ENGINEERS, INC.

By: Jerry F. Dunn

03/23/90
GUTJ.L2
36733/89001

Exhibit A

DATE: March 1, 1990

AMENDED SCHEDULE A

NAME OF GOVERNMENTAL AGENCY: Guthrie Public Service District

TOTAL COST OF PROJECT AND SOURCES OF FUNDS

A. Cost of Project

1.	Construction	$ 2,297,541	
2.	Technical Services	$ 375,685	
3.	Legal and Fiscal	$ 55,000	
4.	Administrative	$ -0-	
5.	Site and Other Lands	$ 25,000	
6.	Step I and/or Step II Design or Other Loan Repayment (Specify Type: _____)	$ -0-	
7.	Interim Financing Costs	$ 60,000	
8.	Contingency	$ 171,324	
9.	Total of Lines 1 through 8		$ 2,984,550

B. Sources of Funds

10.	Federal Grants:[1] (Specify Source)	EPA Grant	$ 1,654,950
			$
11.	State Grants:[1] (Specify Source)		$
			$
			$
			$
12.	Other Grants:[1] (Specify Source)	Kanawha County Commission	$ 482,400
			$
13.	Any Other Source[2] (Specify)	Interest Earnings	$ 20,000
			$
14.	Total of Lines 10 through 13		$ 2,157,350
15.	Proceeds Required from Bond Issue (Line 9 less Line 14)		$ 827,200

C. Cost of Financing

16.	Capitalized Interest 14 months (construction period plus six months)	$ 80,500	
17.	Funded Reserve Account[1]	$ -0-	
18.	Other Costs[4] Bond Counsel	$ 12,000	
		$	
19.	Total Cost of Financing		$ 92,500
20.	Size of Bond Issue (Line 15 plus Total from Line 19)		$ 919,700

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CR NEW JERSEY 07016

ED 11-10

COCHRAN & ASSOCIATES
Certified Public Accountants

March 30, 1990

Guthrie Public Service District
Sewer Revenue Bonds
Series 1990 A and Series 1990 B

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

Ladies and Gentlemen:

Based upon the rates and charges as set forth in the Final Order of the Public Service Commission of West Virginia, entered March 15, 1990, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by Dunn Engineers, Inc., consulting engineers, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system of Guthrie Public Service District, will pay all repair, operation and maintenance expenses 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 1990 A and Series 1990 B, to be issued to the West Virginia Water Development Authority and all other obligations secured or payable from the revenues of the System prior to or on a parity with such Bonds, if any.

Very truly yours,

Cochran & Associates
Certified Public Accountants

Gary L. Cochran, CPA

Post Office Box 2146 / Charleston, West Virginia 25328 / (304) 346-6730

AT A REGULAR SESSION OF THE COUNTY COMMISSION OF KANAWHA COUNTY, WEST VIRGINIA, CONTINUED AND HELD FOR SAID COUNTY AT THE COURTHOUSE THEREOF ON 30th day of August, 1977 _____.

PRESENT: HONORABLE ALFRED L. SHEPARD, PRESIDENT, THOMAS L. BLACK AND JOHN D. CATALANO, GENTLEMEN COMMISSIONERS OF THE COUNTY.

RE: AN ORDER WHEREBY THE COUNTY COMMISSION OF KANAWHA COUNTY, WEST VIRGINIA, PROPOSES ON PETITION TO CREATE A PUBLIC SERVICE DISTRICT BE KNOWN AS "GUTHRIE PUBLIC SERVICE DISTRICT" FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, OPERATING, MAINTAINING AND IMPROVING A PUBLIC SEWER SYSTEM OR PUBLIC WATER SYSTEM, OR BOTH, FOR THE RESIDENTS OF THE AREA, WITHIN KANAWHA COUNTY AND FIXING A DATE FOR HEARING OF SAID MOTION AND PROVIDING FOR THE PUBLICATION OF NOTICE OF SUCH HEARING.

WHEREAS, there has heretofore been filed in the Office of the Clerk of the County Commission of Kanawha County, West Virginia, a petition to this Commission for the creation of a public service district within Kanawha County, West Virginia; and

WHEREAS, at this meeting the said County Clerk has presented such petition to the Commission; and

WHEREAS, upon presentation and consideration of said petition it is found and determined to be desirable and proper in accordance with Chapter 16, Article 13A, of the Code of West Virginia, for this Commission on petition to propose the creation of said public service district and to fix a date of hearing on said motion and to provide for the publication of this order.

NOW, THEREFORE, upon the Commission's motion it is hereby ORDERED by the County Commission of Kanawha County, West Virginia, as follows:

I, Marvel Cottrell, do hereby certify that this is a true copy from the record of the County Commission of Kanawha County, West Virginia.

Kanawha County Commission

Date 3/22/90 By Marvel Cottrell

Section 1: That the County Commission of Kanawha County, West Virginia, hereby finds and declares that there has been filed in the office of the Clerk and presented to this Commission by said Clerk a petition for the creation of a public service district within Kanawha County, West Virginia, which said petition contains a description sufficient to identify the territority to be embraced within said public service district and which petition has been signed by a substantial number of legal voters resident within and owning real property within the limits of the proposed public service district. The County Commission of Kanawha County further finds and declares that it is in all respects desirable and proper for the County Commission on its own motion to propose the creation of said public service district. The motion proposing the creation of said public service district was duly made, seconded and carried.

Section 2: The County Commission of Kanawha County does declare and find the following matters and things to be suitable, proper and in accordance with Chapter 16, Article 13A of the Code of West Virginia:

(a) The name and corporate title of said public service district shall be the "Guthrie Public Service District".

(b) The territory to be embraced in said public service district shall be as follows:

"BEGINNING at a point in the centerline of U. S. Route 21 said point being located on the corporate limits of the City of Charleston, West Virginia and proceeding;

thence, with the corporate limits of the City of Charleston in an Easterly direction 12,000 feet, more or less, to a point on the ridge line overlooking Sheldon Rock Branch and the headwaters of Newhouse Branch and Sugar Creek;

thence, departing from the corporate limits of the C of Charleston and proceeding Easterly along the Southern rid line of Sheldon Rock Branch 1,500 feet, more or less, to a po in the centerline of Interstate Route 77 at the headwaters of Newhouse Branch overlooking Sheldon Rock Branch;

thence, with the centerline of Interstate Route 77 in Northerly direction 20,000 feet, more or less, to the point of intersection of Interstate Route 77 and boundary of Sissonville Public Service District overlooking the headwaters of Trace Fork;

thence, following and forming a common boundary with Sissonville Public Service District in a Westerly direction crossing U. S. Route 21 at a point in the ridge line of what is commonly referred to as Whittington Hill for a total distance of 18,000 feet, more or less, to a point on the ridge line 1,500 feet, more or less, West of the U. S. 21 intersection with the common boundary of Sissonville Public Service District.

thence, departing from the common boundary with Sissonville Public Service District in a South-westerly direction 17,000 feet, more or less, along the dividing ridge line between the Left Fork of Kanawha Two-Mile Creek and Rocky Fork watersheds to a point in a ridge line of Tyler Mountain, said point being situated 5,000 feet more or less, West of the Bethel Church on Woodward Drive, (W. Va. Rt. 22) and (W. Va. Rt. 5), and 5,000 feet, more or less, Northeast of the intersection of Woodrum's Lane (W. Va. Rt. 5/6) and Big Tyler Mountain Road (W. Va. Rt. 5);

thence, in a Southeasterly direction 14,000 feet, more or less, along the ridge line to a point on the corporate limits of the City of Charleston which is situated 600 feet, more or less, West of the Intersection of Woodward Drive (W. Va. Rt. 22) and the City of Charleston Corporate limits;

thence, following and forming a common boundary with the City of Charleston for a distance of 12,000 feet, more or less, in a Northeasterly direction to the place of beginning, in all an area containing 7,930 acres, more or less, and being most of the natural watershed area forming the head-waters of Kanawha Two-Mile Creek.

(c) The purpose of said public service district shall be to construct, acquire, maintain, and improve a public sewerage system or a public water system, or both, within such territory and also outside of such territory to the extent permitted by law.

(d) The territory described above does not include within its limits the territory of any other public service district organized under Article 13A, of Chapter 16, of the Code of West Virginia, nor does such territory include within its limits any city, incorporated town or other municipal corporation or any part thereof.

Section 3: That on the 27th day of September, 1977, being a day in the regular session of this Commission, at 10:00 a.m., on said day, in the Commission Court Room in the Court House, this Commission will conduct a public hearing on the creation of the proposed public service district for the purpose of considering and determining the feasibility thereof and to consider and determine if the construction, maintenance and operation of said public service district will be conductive to the preservation of public health, comfort and convenience of residents of said area, at which time and place all persons residing in or owning or having any interest in property in the proposed public service district may appear before this County Commission and shall have an opportunity to be heard for or against the creation of said public service district.

Section 4: The Clerk of this Commission is hereby ORDERED and DIRECTED to cause notice of such meeting and hearing be given by the publication of this order. This order shall be published in the Charleston Gazette and the Charleston Daily Mail, newspapers of general circulation published in Kanawha County, as a Class I legal advertisement in compliance with the provisions of Chapter 59, Article 3 of the official code of West Virginia of 1931, as amended.

Dated the 30th day of August, 1977.

Teste:

THE COUNTY COMMISSION OF KANAWHA COUNTY

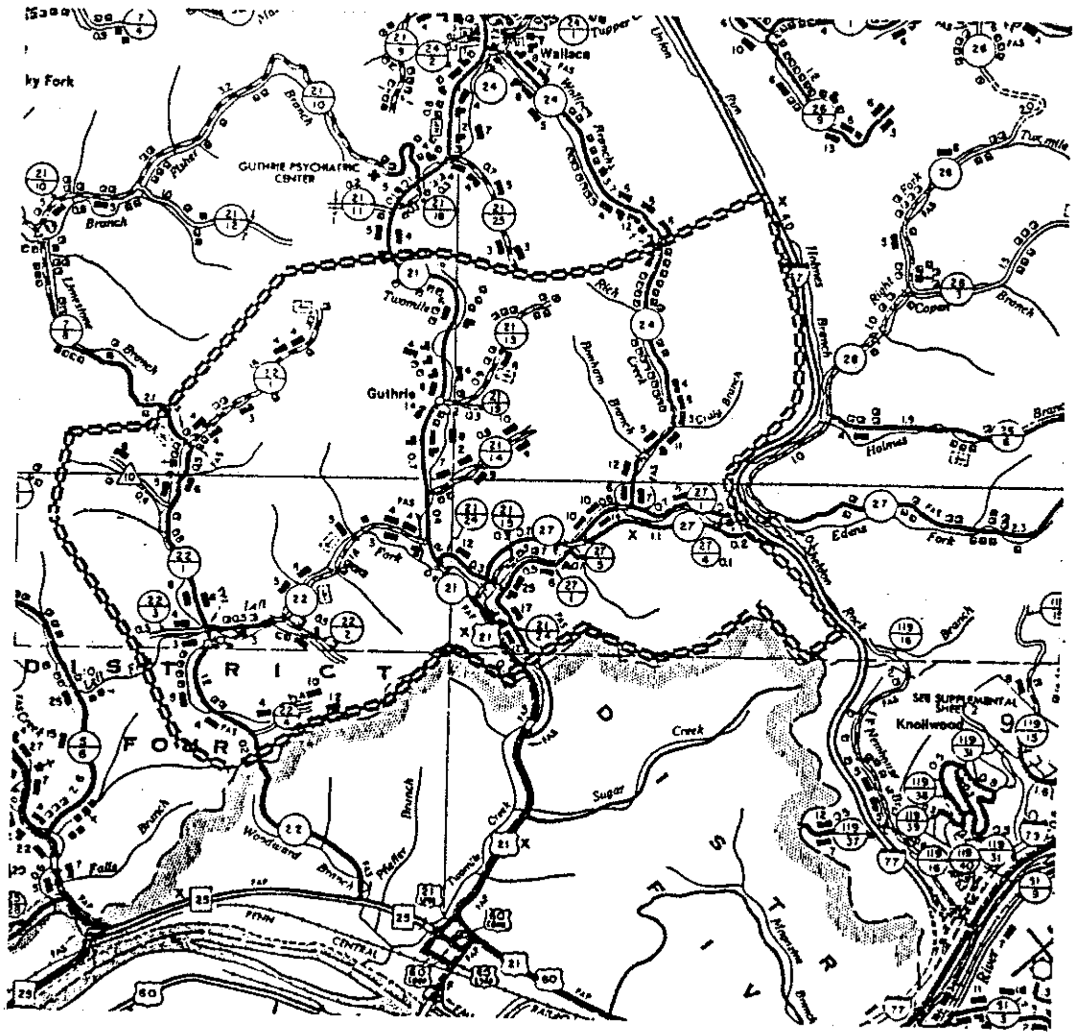
Alfred L. Shepard, President

Thomas L. Black, Commissioner

John D. Catalano, Commissioner

Approved By:

County Attorney



PROPOSED GUTHRIE PUBLIC SERVICE DISTRICT BOUNDARY

DUNN ENGINEERS, INC.-CHARLESTON, W.VA.

SCALE 1"=1 MILE

At a Regular Session of the County Commission of Kanawha County, West Virginia, held at the Courthouse thereof, on the 29th day of November, 1977, the following order was made and entered:

Subject: A RESOLUTION AND ORDER CREATING THE GUTHRIE PUBLIC SERVICE DISTRICT IN KANAWHA COUNTY, WEST VIRGINIA

WHEREAS, the County Commission of Kanawha County, West Virginia did heretofore, by an order adopted on the 30th day of August, 1977, fix a date for a public hearing on the creation of the proposed Guthrie Public Service District, and in and by said order provide that all persons residing in or having any interest in property in the proposed Guthrie Public Service District might appear before the County Commission at this meeting and have the opportunity to be heard for and against the creation of said District; and

WHEREAS, notice of this hearing was duly given in the manner provided and required by said order and by Article 13A of Chapter 16 of the Code of West Virginia, 1931, as amended, and all interested persons have been afforded an opportunity of being heard for and against the creation of said District, but no written protest has been filed by the requisite number of qualified voters registered and residing within the proposed Public Service District and said County Commission has given due consideration to all matters for which such hearing was offered; and

WHEREAS, said hearing was held at the time and place stated in said order on September 27, 1977 at 10 o'clock A.M., and the Commission considered the question of creating said Public Service District; and

WHEREAS, it is now deemed desirable by said County Commission to adopt a resolution and order creating said District;

NOW, THEREFORE, Be it, and it is hereby resolved and ORDERED by the County Commission of Kanawha County, West Virginia, as follows:

Section 1. That said Guthrie Public Service District within Kanawha County, West Virginia, is hereby created, and said District shall have the following boundaries:

"BEGINNING at a point in the centerline of U.S. Route 21 said point being located on the corporate limits of the City of Charleston, West Virginia and proceeding;

thence, with the corporate limits of the City of Charleston in an Easterly direction 12,000 feet, more or less, to a point on the ridge line overlooking Sheldon Rock Branch and the headwaters of Newhouse Branch and Sugar Creek;

thence, departing from the corporate limits of the City of Charleston and proceeding Easterly along the Southern ridge line of Sheldon Rock Branch 1,500 feet, more or less, to a point in the centerline of Interstate Route 77 at the headwaters of Newhouse Branch overlooking Sheldon Rock Branch;

thence, with the centerline of Interstate Route 77 in a Northerly direction 20,000 feet, more or less, to the point of intersection of Interstate Route 77 and boundary of Sissonville Public Service District overlooking the headwaters of Trace Fork;

thence, following and forming a common boundary with Sissonville Public Service District in a Westerly direction crossing U.S. Route 21 at a point in the ridge line of what is commonly referred to as Whittington Hill for a total distance of 18,000 feet, more or less, to a point on the ridge line 1,500 feet, more or less, West of U.S. Route 21 intersection with the common boundary of Sissonville Public Service District;

thence, departing from the common boundary with Sissonville Public Service District in a South-westerly direction 17,000 feet, more or less, along the dividing ridge line between the Left Fork of Kanawha Two-Mile Creek and Rocky Fork watersheds to a point in a ridge line of Tyler Mountain, said point being situated 5,000 feet, more or less, West of the Bethel Church on Woodward Drive, (W.Va. Rt. 22) and (W.Va. Rt. 5), and 5,000 feet, more or less, Northeast of the intersection of Woodrum's Lane (W.Va. Rt. 5/6) and Big Tyler Mountain Road (W.Va. Rt. 5);

thence, in a Southeasterly direction 14,000 feet, more or less, along the ridge line to a point on the corporate limits of the City of Charleston which is situated 600 feet, more or less, West of the Intersection of Woodward Drive (W.Va. Rt. 22) and the City of Charleston Corporate limits;

thence, following and forming a common boundary with the City of Charleston for a distance of 12,000 feet, more or less, in a Northeasterly direction to the place of beginning, in all an area containing 7,930 acres, more or less, and being most of the natural watershed area forming the headwaters of Kanawha Two-Mile Creek.

Section 2. That said Public Service District so created shall have the name and corporate title of Guthrie Public Service District and shall constitute a public corporation and political subdivision of the State of West Virginia having all the rights and powers conferred on public service districts by the laws of the State of West Virginia and particularly Article 13A of Chapter 16 of the Code of West Virginia, 1931, as amended.

Section 3. That the County Commission of Kanawha County, West Virginia, has determined that the territory within Kanawha County, West Virginia, having the hereinabove described boundaries, is so situated that the construction or acquisition by purchase or otherwise and the maintenance, operation, improvement and extension of properties supplying water or sewerage, or both, within such territory by said Public Service District will be conductive to the preservation of public health, comfort and convenience of such area.

The adoption of the foregoing Resolution and Order having been moved by Alfred L. Shepard, Commissioner, and duly seconded by J. D. Catalano, Commissioner, the vote thereon was as follows:

Alfred L. Shepard, President — yes
Thomas L. Black, Commissioner — yes
J. D. Catalano, Commissioner — yes

Whereupon, Alfred L. Shepard, President, declared said motion duly adopted; and it is therefore ADJUDGED and ORDERED that said motion be, and the same is hereby adopted.

I, Marvel Cottrell, do hereby certify that this is a true copy from the record of the County Commission of Kanawha County, West Virginia.

Kanawha County Commission

Date 3/12/90 By Marvel Cottrell Executive Secretary

Alfred L. Shepard, President

Thomas L. Black, Commissioner

J. D. Catalano, Commissioner

Approved BY:

County Attorney

Guthrie Public Service Dist.

LEGAL INVOICE AND STATEMENT

CHARLESTON NEWSPAPERS

Agent

Charleston Daily Mail The Charleston Gazette

EVENING Sunday Gazette-Mail MORNING 9/17/77

CHARLESTON, W. VA. 25330

Kanawha City Planning Commission
Charleston, W. Va. 25301

TO ASSURE PROPER CREDIT - RETURN THIS PORTION WITH REMITTANCE

DATE 1ST INSERTION	DATE 2ND. INS. AND CODE	DESCRIPTION	CHARGE	CREDIT	BALANCE
9/17/77	M	1452 Words @ .0575	83.49		83.4
		Notice of Public Hearing Public Sewer System		RECEIVED SEP 22 1977 KANAWHA COUNTY PLANNING COMMISSION	

CODE
G - GAZETTE
M - DAILY MAIL
S - SUNDAY

LEGAL INVOICE AND STATEMENT
MAKE CHECKS PAYABLE TO:
CHARLESTON NEWSPAPERS
P. O. BOX 2993 • CHARLESTON, W. VA. 25330

PAY LAST AMOU IN THIS COLUM

I, Marvel Cottrell do hereby certify that this is a true copy from the record of the County Commission of Kanawha County, West Virginia.

Kanawha County Commission

Date 3/22/90 By Marvel Cottrell

17C

e, beginning from the [illegible] boundary with Sissonville Public Service District in a Southwesterly direction 17,000 feet, more or less, along the dividing ridge line between the Left Fork of Kanawha Two-Mile Creek and Rocky Fork watersheds to a point in a ridge line of Tyler Mountain, said point being situated 5,000 feet more or less, West of the Bethel Church on Woodward Drive, (W. Va. Rt. 22) and (W. Va. Rt. 3), and 3,000 feet, more or less, Northeast of the intersection of Woodrum's Lane (W. Va. Rt. 3/6) and Big Tyler Mountain Road (W. Va. Rt. 5);

thence, in a Southeasterly direction 14,000 feet, more or less, along the ridge line to a point on the corporate limits of the City of Charleston which is situated 400 feet, more or less, West of the intersection of Woodward Drive (W. Va. Rt. 22) and the City of Charleston Corporate limiston for a distance of 12,000 feet, more or less, in a Northeasterly direction to the place of beginning, in all an area containing 7,930 acres, more or less, and being most of the natural watershed area forming the headwaters of Kanawha Two-Mile Creek.

(c) The purpose of said public service district shall be to construct, acquire, maintain, and improve a public sewerage system or a public water system, or both, within such territory and also outside of such territory to the extent permitted by law.

(d) The territory described above does not include within its limits the territory of any other public service district organized under Article 13A, of Chapter 16, of the Code of West Virginia, nor does such territory include within its limits any city, incorporated town or other municipal corporation or any part thereof.

Section 3: That on the 27th day of September, 1977, being a day in the regular session of this Commission, at 10:00 a.m. on said day, in the Commission Court Room in the Court House, this Commission will conduct a public hearing on the creation of the proposed public service district for the purpose of considering and determining the feasibility thereof and to consider and determine if the construction, maintenance and operation of said public service district will be conducive to the preservation of public health, comfort and convenience of residents of said area, at which time and place all persons residing in or owning or having any interest in property in the proposed public service district may appear before this County Commission and shall have an opportunity to be heard for or against the creation of said public service district.

Section 4: The Clerk of this Comission is hereby ORDERED and DIRECTED to cause notice of such meeting and hearing be given by the publication of this order. This order shall be published in The Charleston Gazette and the Charleston Daily Mail, newspapers of general circulation published in Kanawha County, as a Class I legal advertisement in compliance with the provisions of Chapter 59, Article 3 of the official code of West Virginia of 1931, as amended.

Dated the 30th day of August, 1977.

Teste:

THE COUNTY COMMISSION
OF KANAWHA COUNTY
Alfred L. Shepard, President
Thomas L. Black, Commissioner
John D. Catalano, Commissioner

Approved By:
M. Joseph Thomas
County Attorney

(1138)

Affidav[illegible] of Publication

No. _____

STATE OF WEST VIRGINIA,

Kanawha County, to-wit:

I, Sandy Miller of

☐ Sunday Gazette-Mail ☐ Charleston Gazette, a daily Democra[illegible] newspaper ☒ Daily Mail, a daily Republican newspaper, published the City of Charleston, Kanawha County, West Virginia, do solemn[illegible] swear that the annexed notice of Notice of Public Heari[illegible] Public Sewer System was duly published in said paper once a day for one successive day commencing with the issue of the 17 day of September, 19 77, and ending with the issue of th[illegible] 17 day of September, 19 77, and was postec[illegible] at the front door of the Court House of said Kanawha County, Wes[illegible] Virginia, on the 19 day of September, 19 77

Dates Published: September 17, 1977

Sandy Miller

Subscribed and sworn to before me this 19 day of Sept. 19 77

Norma [illegible]

Notary Public of Kanawha County, West Virginia

My Commission expires May 24, 1986

Printer's Fee $ 83.49

ACCT-7

AT A REGULAR SESSION OF THE COUNTY COMMISSION OF KANAWHA COUNTY, WEST VIRGINIA CONTINUED AND HELD FOR SAID COUNTY AT THE COURTHOUSE THEREOF ON 30TH DAY OF AUGUST, 1977.

PRESENT: HONORABLE ALFRED L. SHEPARD, PRESIDENT, THOMAS L. BLACK AND JOHN D. CATALANO, GENTLEMEN COMMISSIONERS OF THE COUNTY.

RE: AN ORDER WHEREBY THE COUNTY COMMISSION OF KANAWHA COUNTY, WEST VIRGINIA, PROPOSES ON PETITION TO CREATE A PUBLIC SERVICE DISTRICT TO BE KNOWN AS "GUTHRIE PUBLIC SERVICE DISTRICT" FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, OPERATING, MAINTAINING AND IMPROVING A PUBLIC SEWER SYSTEM OR PUBLIC WATER SYSTEM, OR BOTH, FOR THE RESIDENTS OF THE AREA, WITHIN KANAWHA COUNTY AND FIXING A DATE FOR HEARING OF SAID MOTION AND PROVIDING FOR THE PUBLICATION OF NOTICE OF SUCK HEARING.

WHEREAS, there has heretofore been filed in the Office of the Clerk of the County Commission of Kanawha County, West Virginia, a petition to this Commission for the creation of a public service district within Kanawha County, West Virginia; and

WHEREAS, at this meeting the said County Clerk has presented such petition to the Commission; and

WHEREAS, upon presentation and consideration of said petition it is found and determined to be desirable and proper in accordance with Chapter 16, Article 13A, of the Code of West Virginia, for this Commission on petition to propose the creation of said public service district and to fix a date of hearing on said motion and to provide for the publication of this order.

NOW, THEREFORE, upon the Commission's motion it is hereby ORDERED by the County Commission of Kanawha County, West Virginia, as follows:

Section 1: That the County Commission of Kanawha County, West Virginia, hereby finds and declares that there has been filed in the office of the Clerk and presented to this Commission by said Clerk a petition for the creation of a public service district within Kanawha County, West Virginia, which said petition contains a description sufficient to identify the territory to be embraced within said public service district and which petition has been signed by a substantial number of legal voters resident within and owning real property within the limits of the proposed public service district. The County Commission of Kanawha County further finds and declares that it is in all respects desirable and proper for the County Commission on its own motion to propose the creation of said public service district. The motion proposing the creation of said public service district was duly made, seconded and carried.

Section 2: The County Commission of Kanawha County does declare and find the following matters and things to be suitable, proper and in accordance with Chapter 16, Article 13A of the Code of West Virginia:

(a) The name and corporate title of said public service district shall be the "Guthrie Public Service District".

(b) The territory to be embraced in said public service district shall be as follows:

"BEGINNING at a point in the centerline of U.S. Route 21 said point being located on the corporate limits of the City of Charleston, West Virginia and proceeding:

thence, with the corporate limits of the City of Charleston in an Easterly direction 12,000 feet, more or less, to a point on the ridge line overlooking Sheldon Rock Branch and the headwaters of Newhouse Branch and Sugar Creek;

thence, departing from the corporate limits of the City of Charleston and proceeding Easterly along the Southern ridge line of Sheldon Rock Branch 1,500 feet, more or less, to a point in the centerline of Interstate Route 77 at the headwaters of Newhouse Branch overlooking Sheldon Rock Branch;

thence, with the centerline of Interstate Route 77 in a Northerly direction 20,000 feet, more or less, to the point of intersection of Interstate Route 77 and boundary of Sissonville Public Service District overlooking the headwaters of Trace Fork;

thence, following and forming a common boundary with Sissonville Public Service District in a Westerly direction crossing U.S. Route 21 at a point in the ridge line of what is commonly referred to as Huntington Hill for a total distance of 18,000 feet, more or less, [illegible]

88-79

At a Regular Session of the County Commission of Kanawha County, West Virginia, held at the Courthouse thereof, on the 4th day of February 1988, the following order was made and entered:

Subject: **ROBERT WAYNE TAYLOR - APPOINTMENT TO THE GUTHRIE PUBLIC SERVICE DISTRICT TO REPLACE ANN YOUNG**

The following motion was offered by F. Douglas Stump, President

that the County Commission of Kanawha County, West Virginia, having been apprised that the term of Ann Young, a member of the Board of the Guthrie Public Service District, expired December 1, 1985, and that the said Ann Young continued to serve in said capacity until July 1, 1987 at which time she submitted her resignation due to personal illness, the Commission doth ORDER that Robert Wayne Taylor, Route 1, Box 203-A, Charleston, West Virginia 25312, be and he is hereby appointed to the Board of the Guthrie Public Service District for a term expiring December 1, 1991.

It is further ORDERED that the said Robert Wayne Taylor shall appear at the Office of the County Commission and shall qualify by taking the oath of office as required by Chapter 16, Article 13A, Section 3 of the Code of West Virginia, 1931, as amended.

The adoption of the foregoing motion having been moved by F. Douglas Stump, Commissioner, and duly seconded by Don Joe Hunt, Commissioner, the vote thereon was as follows:

F. Douglas Stump, President	Aye
Don Joe Hunt, Commissioner	Aye
Louis H. Bloom, Commissioner	Absent

WHEREUPON, F. Douglas Stump, President, declared said motion duly adopted; and it is therefore ADJUDGED and ORDERED that said motion be, and the same is hereby adopted.

I, Marvel Cottrell, do hereby certify that this is a true copy from the record of the County Commission of Kanawha County, West Virginia.

Kanawha County Commission

Date 3/12/90 By Marvel Cottrell
Executive Secretary

Approved By: Gary L. King
County Attorney

F. Douglas Stump, President

Don Joe Hunt, Commissioner

Louis H. Bloom, Commissioner

18A

OFFICER'S OATH

THE STATE OF WEST VIRGINIA, KANAWHA COUNTY, To-Wit:

I, ROBERT WAYNE TAYLOR who has been duly appointed to the office of GUTHRIE PUBLIC SERVICE DISTRICT BOARD

do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will truly and faithfully discharge all the duties of said office, during my continuance therein, to the best of my skill and judgment, so help me, God.

Robert Wayne Taylor

Subscribed and sworn to before the undersigned, Clerk of the County Commission of said county, this 5th day of February 1988

ALMA Y. KING, Clerk

BY Linda M. Poling Clerk

Deputy

90-137

At a Regular Session of the County Commission of Kanawha County, West Virginia, held at the Courthouse thereof, on the 15th day of March, 1990, the following order was made and entered:

SUBJECT: JOHN JOHNSON - REAPPOINTMENT TO THE GUTHRIE PUBLIC SERVICE DISTRICT

The following motion was offered by Don Joe Hunt, President

The County Commission of Kanawha County, West Virginia, having been apprised of the expiration of the term of John Johnson, a member of the Guthrie Public Service District, doth ORDER that John Johnson, Woodward Drive, Charleston, WV 25312, be reappointed to the Guthrie Public Service District for a six (6) year term commencing December 2, 1989, and expiring December 1, 1995.

It is further ORDERED that the said John Johnson shall appear at the Office of the County Commission and shall qualify by taking the oath of office as required by Chapter 15, Article 13A, Section 3 of the Code of West Virginia, 1931 as amended.

The adoption of the foregoing motion having been moved by Don Joe Hunt, Commissioner, and duly seconded by Louis H. Bloom, Commissioner, the vote thereon was as follows:

Don Joe Hunt, President	Aye
Louis H. Bloom, Commissioner	Aye
William J. Reese, Commissioner	Aye

I, Marvel Cottrell do hereby certify that this is a true copy from the record of the County Commission of Kanawha County, West Virginia.

Kanawha County Commission

Date 3/19/90 By Marvel Cottrell

18B

WHEREUPON, Don Joe Hunt, President declared said motion duly adopted; and it is therefore ADJUDGED and ORDERED that said motion be, and the same is hereby adopted.

Don Joe Hunt, President

Louis H. Bloom, Commissioner

William J. Reese, Commissioner

Approved By: Betty L. Carlson
County Attorney

THE STATE OF WEST VIRGINIA, KANAWHA COUNTY, TO WIT:

I, JOHN JOHNSON, having been duly reappointed to the office of GUTHRIE PUBLIC SERVICE DISTRICT, do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will truly and faithfully discharge all the duties of said office, during my continuance therein, to the best of my skill and judgment, so help me, God.

John C. Johnson

Subscribed and sworn to before the undersigned, Clerk of the County Commission of said county, this 19th day of March, 1990.

ALMA Y. KING, Clerk

BY Linda M. Poling, Clerk
Deputy

90-138

At a Regular Session of the County Commission of Kanawha County, West Virginia, held at the Courthouse thereof, on the 15th day of March, 1990, the following order was made and entered:

SUBJECT: ERICK HAYNES - REAPPOINTMENT TO THE GUTHRIE PUBLIC SERVICE DISTRICT

The following motion was offered by Don Joe Hunt, President

The County Commission of Kanawha County, West Virginia, having been apprised of the expiration of the term of Erick Haynes, a member of the Guthrie Public Service District, doth ORDER that Erick Haynes, Route 1, Box 422-A, Charleston, WV 25312, be reappointed to the Guthrie Public Service District for a six (6) year term commencing November 29, 1987, and expiring November 28, 1993.

It is further ORDERED that the said Erick Haynes shall appear at the Office of the County Commission and shall qualify by taking the oath of office as required by Chapter 15, Article 13A, Section 3 of the Code of West Virginia, 1931 as amended.

The adoption of the foregoing motion having been moved by Don Joe Hunt, Commissioner, and duly seconded by William J. Reese, Commissioner, the vote thereon was as follows:

Don Joe Hunt, President	Aye
Louis H. Bloom, Commissioner	Aye
William J. Reese, Commissioner	Aye

I, Marvil Cottrell, do hereby certify that this is a true copy from the record of the County Commission of Kanawha County, West Virginia.

Kanawha County Commission

Date 3/14/90 By Marvil Cottrell

186

WHEREUPON, Don Joe Hunt, President declared said motion duly adopted; and it is therefore ADJUDGED and ORDERED that said motion be, and the same is hereby adopted.

Don Joe Hunt, President

Louis H. Bloom, Commissioner

William J. Reese, Commissioner

Approved By: _____
County Attorney

OFFICER'S OATH

THE STATE OF WEST VIRGINIA, KANAWHA COUNTY, TO WIT:

I, ERICK HAYNES, having been duly reappointed to the office of GUTHRIE PUBLIC SERVICE DISTRICT,

do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will truly and faithfully discharge all the duties of said office, during my continuance therein, to the best of my skill and judgment, so help me, God.

Erick Y. Haynes

Subscribed and sworn to before the undersigned, Clerk of the County Commission of said county, this 16th day of March, 19 90.

Alma J. Lugo, Clerk

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD NEW JERSEY 07016

ED 11-10

[RESERVED]

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRS NEW JERSEY 07016

ED 11-1C

AFFIDAV : PUBLICATION

STATE OF WEST VIRGINIA,

KANAWHA COUNTY, TO-WIT:

I, Debra J. Caldwell OF

THE DAILY MAIL, A DAILY REPUBLICAN NEWSPAPER,

PUBLISHED IN THE CITY OF CHARLESTON, KANAWHA COUNTY,

WEST VIRGINIA, DO SOLEMNLY SWEAR THAT THE ANNEXED

NOTICE OF: GUTHRIE P.S.D.

WAS DULY PUBLISHED IN SAID PAPER(S) ON THE DATES

LISTED BELOW, AND WAS POSTED AT THE FRONT DOOR OF THE

COURT HOUSE OF SAID KANAWHA COUNTY, WEST VIRGINIA,

ON THE

1ST DAY OF OCTOBER , 1988 .

DATES PUBLISHED:

09/30/88 DAILY MAIL 10/07/88 DAILY MAIL

SUBSCRIBED AND SWORN TO BEFORE ME THIS

10TH DAY OF OCTOBER , 1988 .

Sandra S Miller

NOTARY PUBLIC OF KANAWHA COUNTY, WEST VIRGINIA

MY COMMISSION EXPIRES My Commission Expires Oct. 28, 1991

PRINTERS FEE $ 43.14

NOTICE

Please take notice that the Guthrie Public Service District, in regards to its proposed sewage project within the confines of its boundaries, will make formal application to the West Virginia Public Service Commission for a certificate of convenience and necessity on or about November 29, 1988. Guthrie Public Service District will be constructing a collection and transportation system for the disposal of sewerage. Said estimated total cost is anticipated not to exceed $4,000,000.00. Guthrie Public Serivce District intends to borrow an amount of money not to exceed $1,250,000.00. Said amount will be financed through the Water Development Authority which will issue revenue bonds for the aforementioned amount. Guthrie Public Service District estimates that the interest rate on these bonds will not exceed 8.75% on forty (40) years. Additional monies in the form of grants will be obtained from the Environmental Protection Agency and the Kanawha County Commission. Guthrie Public Service District will be acquiring numerous right-of-ways from the public, as well as from the State of West Virginia. The project consists of construction of three (3) pumping stations, 54,000 linear feet of 8" sewer line, 3,100 linear feet of 12" sewer line, 4-600 linear feet of 6" sewer line, 400 manholes, 1,000 linear feet of 8" force main, and 700 linear feet of 2" force main. Gurthrie Public Service District anticipates that the rates to its customer will not exceed $29.00 per month based on an average usage of 4500 gallons.

This Notice is prepared pursuant to West Virginia Code 16-13A-25.

Submitted by,
Erick Haynes,
Chairman
Guthrie Public
Service District

(503152)

RECEIVED
1988 NOV -2 PM 4:07

20

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA CHARLESTON

Entered by the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA, in the City of Charleston on the 8th day of December, 1988.

CASE NO. 88-706-S-CN

GUTHRIE PUBLIC SERVICE DISTRICT, a public utility, Charleston, Kanawha County.

Application for a certificate of convenience and necessity to construct and operate a collection and transportation system for the disposal of sewerage of Guthrie, Kanawha County.

NOTICE OF FILING

WHEREAS, on December 7, 1988, Guthrie Public Service District, a public utility, Guthrie, Kanawha County, filed an application, duly verified, for a certificate of convenience and necessity to construct and operate a collection and transportation system of the disposal of sewerage at Guthrie, Kanawha County; and

WHEREAS, Guthrie Public Service District proposes to construct three (3) pumping stations, 54,000 linear feet of 8-inch sewer line, 3,100 linear feet of 12-inch sewer line, 6,400 linear feet of 6-inch sewer line, 400 manholes, 1,800 linear feet of 8-inch force main, and 700 linear feet of 2-inch force main. The District will bid the contract in question; and

WHEREAS, Guthrie Public Service District estimates that construction will cost approximately $3,985,110; and will be financed as follows: EPA grant—$2,634,090; Kanawha County/WDA loan—$1,075,020; and a Kanawha County grant—$275,000; and

WHEREAS, Guthrie Public Service District has requested approval of the following rates and charges:

Metered Rates—Per thousand gallons used per month—$4.62

Minimum Charge—No bill will be rendered for less than 2M gallons used $9.24).

Flat Rate—$16.17 per month (based on 3.5M gallons)

Connection Charge

Before construction—$100.00

After construction—$250.00

Pursuant to Section 24-2-11, West Virginia Code, IT IS ORDERED that Guthrie Public Service District, a public utility, give notice of the filing of said application by publishing a copy of this order once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Kanawha County, making due return to this Commission of proper certification of publication immediately after publication. Anyone desiring to make objection to said application must do so in writing, within thirty (30) days after the publication of this notice.

IT IS FUTHER ORDERED that if no protests are received within said 30-day period, the Commission may waive formal hearing and grant the application of Guthrie Public Service Dirtict, based on the evidence submitted with said application and its review thereof.

A True Copy, Teste:
Howard M. Cunningham
Executive Secretary

(403922)

RECEIVED

1988 DEC 21

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,

KANAWHA COUNTY, TO-WIT:

I, Debra L Caldwell OF

THE DAILY MAIL, A DAILY REPUBLICAN NEWSPAPER, PUBLISHED IN THE CITY OF CHARLESTON, KANAWHA COUNTY, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT THE ANNEXED NOTICE OF: GUTHRIE PSD

WAS DULY PUBLISHED IN SAID PAPER(S) ON THE DATES LISTED BELOW, AND WAS POSTED AT THE FRONT DOOR OF THE COURT HOUSE OF SAID KANAWHA COUNTY, WEST VIRGINIA, ON THE

15TH DAY OF DECEMBER , 1988 .

DATES PUBLISHED:

12/14/88 DAILY MAIL

SUBSCRIBED AND SWORN TO BEFORE ME THIS

15TH DAY OF DECEMBER , 1988 .

Debra Ruth Messer

NOTARY PUBLIC OF KANAWHA COUNTY, WEST VIRGINIA

MY COMMISSION EXPIRES March 14, 1991

PRINTERS FEE $ 40.09

20B

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA CHARLESTON

ntered by the PUBLIC RVICE COMMISSION OF ST VIRGINIA, in the City of arleston on the 4th day of ember, 1989.

ASE NO. 89-795-PSD-CN
UTHRIE PUBLIC SERVICE ISTRICT, a public utility, harleston, Kanawha County. Application for a certificate convenience and necessity construct and operate a col- ction and transportation sys- m for the disposal of sewer- ge at Guthrie, Kanawha Coun-

NOTICE OF FILING

WHEREAS, on November 29, 89, Guthrie Public Service istrict, a public utility, Char- ston, Kanawha County, filed application, duly verified, r a certificate of convenience id necessity to construct and perate a sewage collection id transportation system to rve the area of Guthrie, Kan- wha County; and

WHEREAS, Guthrie Public rvice District proposes to instruct two (2) pumping sta- ons, 7,638 linear feet of 6-inch wer pipe, 24,540 linear feet of inch sewer pipe, 5,400 linear et of 10-inch sewer pipe, 1,940 near feet of 12-inch sewer pe, 1,750 linear feet of 8-inch rced main, 770 linear feet of -inch forced main, 4,790 li- ear feet of 8-inch ductile iron pe and 223 manholes; and

WHEREAS, Guthrie Public rvice District estimates that instruction will cost approxi- ately $3,057,082; and will be fi- nced as follows: EPA Grant $1,654,900; Kanawha County/ DA loan—$919,782; and a Kan- wha County Commission ant of $482,000; and

WHEREAS, Guthrie Public rvice District has requested proval of the following rates d charges:

Metered Rates—$6.60 per 1,- 0 gallons used per month

Minimum Charge—$13.20 ased on 2.0 M gallons)

Flat rate—$23.10 per month ased on 3.5 M gallons)

Connection Charge—$100 be- re construction, $250 after instruction

Pursuant to Section 24-2-11, est Virginia Code, IT IS OR- ERED that Guthrie Public rvice District, a public utili- give notice of the filing of id application by publishing copy of this order once in a wspaper, duly qualified by e Secretary of State, pub- shed and of general circula- on in Kanawha County, mak- g due return to this Commis- on of proper certification of ublication immediately after ublication. Anyone desiring to ake objection to said applica- on must do so in writing, thin thirty (30) days after the ublication of this notice.

IT IS FURTHER ORDERED at if no protests are received ithin said 30-day period, the ommission may waive formal earing and grant the applica- tion of Guthrie Public Service District, based on the evidence submitted with said application and its review thereof.

A True Copy, Teste:
Howard M. Cunningham
Executive Secretary
(717693)

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,

KANAWHA COUNTY, TO-WIT:

I, Debra Caldwell OF

THE CHARLESTON GAZETTE, A DAILY DEMOCRATIC NEWSPAPER, PUBLISHED IN THE CITY OF CHARLESTON, KANAWHA COUNTY, WEST VIRGINIA, DO SOLEMNLY SWEAR THAT THE ANNEXED NOTICE OF: GUTHRIE PSD

WAS DULY PUBLISHED IN SAID PAPER(S) ON THE DATES LISTED BELOW, AND WAS POSTED AT THE FRONT DOOR OF THE COURT HOUSE OF SAID KANAWHA COUNTY, WEST VIRGINIA, ON THE

8TH DAY OF DECEMBER , 1989 .

DATES PUBLISHED:

12/07/89 GAZETTE

SUBSCRIBED AND SWORN TO BEFORE ME THIS

8TH DAY OF DECEMBER , 1989 .

Debra Lutl Messer

NOTARY PUBLIC OF KANAWHA COUNTY, WEST VIRGINIA

MY COMMISSION EXPIRES March 11, 1991

PRINTERS FEE $ 41.33

RECEIVED
1989 DEC 26 PM 2:58
W. VA. PUBLIC SERVICE COMMISSION
SECRETARY'S OFFICE

20C

ALLSTATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE, CRAN. NEW JERSEY 07016

ED 11-1C

RULES OF PROCEDURE

Guthrie PUBLIC SERVICE DISTRICT

ARTICLE I
NAME AND PLACE OF BUSINESS

Section 1. Name: Guthrie PUBLIC SERVICE DISTRICT

Section 2. The principal office of this Public Service District will be located at _____, _____, West Virginia.

Section 3. The Common Seal of the District shall consist of 2 concentric circles between which circles shall be inscribed Guthrie Public Service District, and in the center "seal" as follows:

Section 4. The fiscal year of the District shall begin the 1st day of July in each year and shall end on the following June 30.

ARTICLE II

PURPOSE

This District is organized exclusively for the purposes set forth in Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended (the "Act").

ARTICLE III

MEMBERSHIP

Section 1. The members of the Public Service Board of this District shall be those persons appointed by The County Commission of Kanawha County, West Virginia, or otherwise appointed pursuant to the Act, who shall serve for such terms as may be specified in the order of the County Commission or otherwise.

Section 2. Should any member of the Public Service Board resign or otherwise become legally disqualified to serve as a member of the Public Service Board, the Secretary shall immediately notify the County Commission or other entity provided under the Act and request the appointment of a qualified person to fill such vacancy. Prior to the end of the term of any member of the Public Service Board, the Secretary shall notify the County Commission or other entity provided under the Act of the pending termination and request the County Commission or other entity provided under the Act to enter an order of

appointment or re-appointment to maintain a fully qualified membership of the Public Service Board.

ARTICLE IV

MEETINGS OF THE PUBLIC SERVICE BOARD

Section 1. The members of the Public Service Board of this District shall hold regular monthly meetings on the second Tuesday of each month at such place and hour as the members shall determine from time to time. If the day stated shall fall on a legal holiday, the meeting shall be held on the following day. Special meetings of the Public Service Board may be called at any time by the Chairman or by a quorum of the Board.

Section 2. At any meeting of the Public Service Board of the District, 2 members shall constitute a quorum. Each member of the Public Service Board shall have one vote at any membership meeting and if a quorum is not present, those present may adjourn the meeting to a later date.

Section 3. Unless otherwise waived, notice to members by letter or telephone shall be required for regular meetings. Unless otherwise waived, notice in writing of each special meeting of the membership shall be given to all members by the Secretary by mailing the same to the last known post office addresses of the members at least 3 days before the date fixed for such meeting. The notice of any special meeting shall state briefly the purposes of such meeting and the nature of the business to be transacted thereat, and no business other than that stated in the notice or incidental thereto shall be transacted at any such special meeting.

PUBLIC NOTICE OF MEETINGS

Section 4. Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended, notice of the time and place of all regularly scheduled sessions of such Public Service Board, and the time, place and purpose of all special sessions of such Public Service Board, shall be made available, in advance, to the public and news media as follows:

A. A notice shall be posted by the Secretary of the Public Service Board of the Public Service District at the front door of the Kanawha County Courthouse and at the front door of the place fixed for the regular meetings of the Public Service Board of the time and place fixed and entered of record by the Public Service Board for the holding of regularly scheduled sessions. If a particular regularly scheduled session is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the front doors of the Courthouse and the meeting place as soon as feasible after such cancellation or postponement has been determined upon.

B. A notice shall be posted by the Secretary of the Public Service Board at the front door to the Kanawha County Courthouse and at the front door of

the place fixed for the regular meetings of the Public Service Board at least 48 hours before a special session is to be held, stating the time, place and purpose for which such special session shall be held. If the special session is cancelled, a notice of such cancellation shall be posted at the front doors of the Courthouse and the meeting place as soon as feasible after such cancellation has been determined upon.

C. The form of notice for posting as to a special session may be generally as follows:

Guthrie PUBLIC SERVICE DISTRICT

NOTICE OF SPECIAL SESSION

The Public Service Board of _____ Public Service District will meet in special session on _____, at _____ .m., prevailing time, at _____, West Virginia, for the following purposes:

1. To consider and act upon a proposed Bond Authorizing Resolution providing for the issuance of a _____ Bond, Series _____, of the District, in the principal amount of $_____, to provide funds for construction of _____ _____ facilities of the District.

2.

_____
Secretary

Date: _____

ARTICLE V

OFFICERS

Section 1. The officers of the Public Service Board shall be a Chairman, Secretary and Treasurer. The Chairman shall be elected from the members of the Public Service Board. The Secretary and Treasurer need not be members of the Public Service Board, and may be the same person.

Section 2. The officers of the Public Service Board shall be elected each year by the members at the first meeting held in the month of January of such year. The officers so elected shall serve until the next annual election by the membership and until their successors are duly elected and qualified. Any vacancy occurring

among the officers shall be filled by the members of the Public Service Board at a regular or special meeting. Persons selected to fill vacancies shall serve until the following January meeting of the Board when their successors shall be elected hereinabove provided.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Public Service Board. He shall, together with the Secretary, sign the minutes of all meetings at which he shall preside. He shall attend generally to the executive business of the Board and exercise such powers as may be conferred upon him by the Board, by these Rules of Procedure, or prescribed by law. He shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements or other papers necessary, requisite, proper or convenient to be executed by or on behalf of the Board when and if directed by the members of the Board.

Section 2. If the Chairman is absent from any meeting, the remaining members of the Board shall select a temporary chairman.

Section 3. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. He shall, together with the Chairman, sign the minutes of the meetings at which he is present. The Secretary shall have charge of the minute book, be the custodian of deeds and other writings and papers of the Board. He shall also perform such other duties as he may have under law by virtue of his office or as may be conferred upon him from time to time by the members of the Board.

Section 4. The Treasurer shall be the lawful custodian of all funds of the District and shall pay same out on orders authorized or approved by the Board. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him and shall prepare and submit such reports and statements of the financial condition of the Board as the members may from time to time prescribe. He shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Board.

ARTICLE VII

AMENDMENTS TO RULES OF PROCEDURE

These Rules of Procedure may be altered, changed, amended or added to at any regular or special meeting of the Board by a majority vote of the entire Board, or at any regular or special meeting of the members when a quorum is present in person and a majority of those present vote for the amendment; but no such change,

alteration, amendment or addition shall be made at any special meeting unless notice of the intention to propose such change, alteration, amendment or addition and a clear statement of the substance thereof be included in the written notice calling such meeting.

04/25/89
FORMS/NOTICE/N

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CR NEW JERSEY 07016 ED 11-10

GUTHRIE
PUBLIC SERVICE DISTRICT KANAWHA COUNTY

P.O. BOX 10116
CHARLESTON, WEST VIRGINIA 25357

Monthly Meeting
January 9, 1990

Present: Erick L. Haynes
John Johnson
Robert Taylor
Todd Dingess
Wyatt Hanna
Bill Cunningham

Area residents of Route 21 - four families represented

Meeting Called to Order 6:30 p.m.

Minutes of December 12, 1989 minutes approved as circulated. Motion by Mr. Haynes, seconded by Mr. Johnson, all in favor.

Status of sewer project was reviewed with area residents and tap fees collected. A separate tap fee account has been set up.

The floor was opened to receive nominations for the officers for year beginning January 1, 1990. Mr. Taylor was nominated for position of chairman. Mr. Taylor declined the nomination due to his family's involvement in the suit against Don's Disposal. Mr. Johnson then moved that the commissioners retain the same officers as held in 1989.

Mr. Haynes - Chairman
Mr. Johnson - Treasurer
Mr. Taylor - Secretary

Seconded by Mr. Taylor, all in favor.

The District moved to continue meeting on the second Tuesday of each month, 6:30 p.m., at Bonham Elementary School.

Bills on Water System reviewed and recommended for payment by motion of Mr. Haynes, seconded by Mr. Taylor, all in favor.

Check 1575	FmHA Loan	$1,153.00
Check 1576	FmHA Reserve	115.30
Check 1577	E. L. Haynes Com. Fee	50.00
Check 1578	J. Johnson Com. Fee	50.00
Check 1579	Cochran & Associates	754.90
Check 1580	R. Taylor Com. Fee	50.00

Check received from W.Va. American Water Co. $2,043.00 for annual reimbursements of costs.

Bills on Sewer System reviewed and recommended for payment from Kanawha County Commission Grant. Motion by Mr. Taylor, seconded by Mr. Johnson, all in favor.

Cochran & Associates for December 1989	$1,586.50
Hanna & Hanna for December, 1989	840.00

General discussion ensued on status of sewer project. Mr. Hanna is to proceed with acquisition of property for pump stations and recording easements.

P.S.C. to be contacted about issuing certificate as soon as possible.

Mr. Dingess was instructed to prepare rate decrease on water system to reflect going level.

District made a commitment to sponsor Fore Drive water project for 1991 Kanawha County Commission Grant hearings.

Meeting Adjourned 8:30 p.m.

CHAIRMAN

Secretary

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

MINUTES ON ADOPTION OF BOND AND NOTES
RESOLUTION AND SUPPLEMENTAL RESOLUTION

I, ROBERT WAYNE TAYLOR, SECRETARY of the Public Service Board of Guthrie Public Service District, hereby certify that the following is a true and correct excerpt of the minutes of a special meeting of the said Public Service Board:

*** *** ***

The Public Service Board of Guthrie Public Service District met in special session, pursuant to notice duly posted, on the 29th day of March, 1990, at Guthrie, West Virginia, at the hour of 11:00 a.m.

PRESENT:	Erick Haynes	-	Member and Chairman
	Robert Wayne Taylor	-	Member and Secretary
	John Johnson	-	Member and Treasurer
	H. Wyatt Hanna, III	-	Attorney for District

ABSENT: None

Erick Haynes, Chairman, presided, and Robert Wayne Taylor acted as Secretary.

The Chairman announced that a quorum of members was present and that the meeting was open for any business properly before it. Thereupon, the Chairman presented a proposed Bond and Notes Resolution in writing entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF GUTHRIE PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $1,050,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 A, NOT MORE THAN $49,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 B, AND NOT MORE THAN $1,600,000 INTERIM CONSTRUCTION FINANCING, CONSISTING OF BOND ANTICIPATION NOTES, GRANT ANTICIPATION NOTES OR A LINE OF CREDIT EVIDENCED

BY NOTES OR ANY COMBINATION OF THE FOREGOING; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS AND NOTES; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE NOTES; APPROVING AND RATIFYING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND NOTES AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, on motion of ROBERT WAYNE TAYLOR, seconded by JOHN JOHNSON, it was unanimously ordered that the said Bond and Notes Resolution be adopted and be in full force and effect on and from the date hereof.

The Chairman then presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITIES, INTEREST RATES, PRINCIPAL PAYMENT SCHEDULES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1990 A AND SERIES 1990 B OF GUTHRIE PUBLIC SERVICE DISTRICT; AUTHORIZING AND APPROVING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO 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 of ROBERT WAYNE TAYLOR, seconded by JOHN JOHNSON, it was unanimously ordered that the said Supplemental 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.

*** *** ***

I hereby certify that the foregoing action of said Public Service Board remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 30th day of March, 1990.

Secretary, Guthrie Public Service
District, Public Service Board

03/28/90
GUTJ.T3
36733/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRA NEW JERSEY 07016 ED 11 TC

STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

TELECOPIER (304) 624-8183

CHARLES W. YEAGER
CARL F. STUCKY, JR.
HERBERT G. UNDERWOOD
JACKSON L. ANDERSON
OTIS L. O'CONNOR
ROBERT G. STEELE
J. LEE VAN METRE, JR.
JAMES M. WILSON
PATRICK D. DEEM
ROBERT M. STEPTOE, JR.
ANNE R. WILLIAMS
JAMES R. WATSON
JAMES D. GRAY
DOUGLAS S. ROCKWELL
VINCENT A. COLLINS
JAMES A. RUSSELL
LUCIEN G. LEWIN
WILLIAM T. BELCHER
MICHAEL L. BRAY
JAMES D. STEPTOE
DAVID C. CLOVIS
DANIEL R. SCHUDA
J. GREG GOODYKOONTZ
IRENE M. KEELEY
EVANS L. KING, JR.
WALTER L. WILLIAMS
SUSAN S. BREWER
SPRAGUE W. HAZARD
HERSCHEL H. ROSE III
DAVID LAYVA
GRAY SILVER III
RONALD H. HANLAN
C. DAVID MORRISON
HARRY P. WADDELL
CLEMENT D. CARTER III
W. HENRY LAWRENCE IV
J. ROBERT GWYNNE
WILLIAM E. GALEOTA
CHRISTOPHER P. BASTIEN
GORDON H. COPLAND
RANDALL C. LIGHT
STEVEN P. McGOWAN

CHARLESTON OFFICE
715 CHARLESTON NATIONAL PLAZA
P. O. BOX 1588
CHARLESTON, W. VA. 25326
(304) 342-2191
TELECOPIER (304) 342-0726

MARTINSBURG OFFICE
126 EAST BURKE STREET
MARTINSBURG, W. VA. 25401
(304) 263-6991
TELECOPIER (304) 263-4785

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

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

RICHARD M. YURKO, JR.
GARY W. NICKERSON
CURTIS G. POWER III
STEPHEN R. KERSHNER
W. RANDOLPH FIFE
MARTIN R. SMITH, JR.
LOUIS E. ENDERLE, JR.
ROBERT J. SCHIAVONI
JOHN K. DORSEY
WALTER WASHINGTON
JOSEPH R. FERRETTI
MARK E. KINLEY
MARCIA J. POLLARD
BRYAN R. COKELEY
PATRICK D. KELLY
FRANCESCA TAN
CHRISTINE S. VAGLIENTI
WILLIAM P. YOUNG
DAVID M. HAMMER
WILLIAM F. ROHRBAUGH
CAROLINE J. STAFFORD
MATTHEW J. MULLANEY
BRENT O. BURTON
PAUL R. CRANSTON
JONATHAN P. JESTER
GRACE J. WIGAL
GINA M. HOUSEHOLDER
MICHAEL KOZAKEWICH, JR.
CYNTHIA R. TRIBBLE

OF COUNSEL
RALPH BOHANNON
ROGER J. PERRY

WRITER'S DIRECT DIAL NUMBER

May 2, 1990

Guthrie Public Service District
Sewer Revenue Bonds

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Internal Revenue Service
Internal Revenue Service Center
Philadelphia, Pennsylvania 19255

Ladies and Gentlemen:

Enclosed herewith is a completed and executed Internal Revenue Service Form 8038-G and a file copy thereof with regard to the above-captioned bond issue. Please file the original form in the appropriate Internal Revenue Service records and return the copy marked in red as the "File Copy" to me (after acknowledging receipt of the same) in the enclosed self-addressed, stamped envelope. Thank you for your attention to this matter.

Very truly yours,

Walter L. Williams

Walter L. Williams

Enclosure
Copy of letter with enclosure to:
Samme L. Gee, Esquire
H. Wyatt Hanna, III, Esquire
03/28/90
GUTJ.N2
36733/89001

Form **8038-G** (Rev. October 1989) Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Section 149(e)
▶ See separate instructions
(Use Form 8038-GC if the issue price is under $100,000)

OMB No. 1545-0720
Expires 5-31-92

Part I Reporting Authority

Check box if **Amended Return** ▶ ☐

1 Issuer's name: Guthrie Public Service District
2 Issuer's employer identification number: 55-0635260
3 Number and street: P. O. Box 10116
4 Report number: G1990 - 1
5 City or town, state, and ZIP code: Charleston, West Virginia 25357
6 Date of issue: March 30, 1990
7 Name of Issue: Guthrie Public Service District Sewer Revenue Bonds, Series 1990 A
8 CUSIP Number: N/A

Part II Type of Issue (check box(es) that applies and enter the Issue Price)

		Issue price
9	Check box if obligations are tax or other revenue anticipation bonds ▶ ☐	
10	Check box if obligations are in the form of a lease or installment sale ▶ ☐	
11	☐ Education	$
12	☐ Health and hospital	
13	☐ Transportation	
14	☐ Public safety	
15	☒ Environment (including sewage bonds)	$878,695
16	☐ Housing	
17	☐ Utilities	
18	☐ Other. Describe (see Instructions) ▶ SEE STATEMENT 1	

Part III Description of Obligations

	(a) Maturity date	(b) Interest rate	(c) Issue price	(d) Stated redemption price at maturity	(e) Weighted average maturity	(f) Yield	(g) Net interest cost
19 Final maturity	10/1/2029	7.85 %	$ 67,499	$ 67,499			
20 Entire issue			$878,695	$878,695	28.92 years	%	7.85 %

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

21	Proceeds used for accrued interest			21	-0-
22	Issue price of entire issue (enter line 20c)			22	$878,695
23	Proceeds used for bond issuance costs (including underwriters' discount)	23	$4,283		
24	Proceeds used for credit enhancement	24	-0-		
25	Proceeds allocated to reasonably required reserve or replacement fund	25	-0-		
26	Proceeds used to refund prior issues	26	-0-		
27	Total (add lines 23, 24, 25, and 26)			27	$4,283
28	Nonrefunding proceeds of the issue (subtract line 27 from line 22 and enter amount here)			28	$874,412

Part V Description of Refunded Bonds (complete this part only for refunding bonds) N/A

29 Enter the remaining weighted average maturity of the bonds to be refunded ▶ _____ years
30 Enter the last date on which the refunded bonds will be called ▶ _____
31 Enter the date(s) the refunded bonds were issued ▶

Part VI Miscellaneous

32 Enter the amount of the state volume cap allocated to the issue ▶ -0-
33 Enter the amount of the bonds designated by the issuer under section 265(b)(3)(B)(i)(III) (small issuer exception) ▶ -0-
34 Pooled financings:
a Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units ▶ -0-
b Check box if this issue is a loan made from the proceeds of another tax-exempt issue ▶ ☒ and enter the name of the issuer ▶ West Virginia Water Development Authority and the date of the issue ▶ December 27, 1989

Please Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Eick L. Hoyt — Signature of officer
March 30, 1990 — Date
Chairman — Type or print name and title

For Paperwork Reduction Act Notice, see page 1 of the Instructions.

Form **8038-G** (Rev. 10-89)

*U.S. Government Printing Office: 1989-262-151/00019

STATEMENT 1

The Issuer concurrently issued supplemental sewage bonds which bear no interest with an issue price of $41,005, which are junior and subordinate to the bonds set forth on the Form 8038-G to which this statement is attached, but which, for purposes of this form, may be aggregated therewith. Such supplemental sewage bonds are named Guthrie Public Service District Sewer Revenue Bonds, Series 1990 B, have no Cusip Number and finally mature on October 1, 2029, with a final maturity issue price and stated redemption price at maturity of $1,051.41. The entire issue of such supplemental sewage bonds has an issue price and stated redemption price at maturity of $41,005, with a weighted average maturity of 20.50 years. $200.00 of the original proceeds of such supplemental sewage bonds will be used for bond issuance costs and the balance will be nonrefunding proceeds of the issue. No portion of the state volume cap will be allocated to such issue, and no amount of the supplemental sewage bonds has been designated by the Issuer under Section 265(b)(3)(B)(i)(III). None of the proceeds of such issue will be used to make loans to other governmental units and none of the issue is a loan made from the proceeds of another tax-exempt issue.

SENDER: Complete items 1 and 2 w[illegible] additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fee. Check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. †(Extra charge)†
2. ☐ Restricted Delivery †(Extra charge)†

3. Article Addressed to:

INTERNAL REVENUE SERVICE
INTERNAL REVENUE SERVICE CENTER
PHILADELPHIA, PA 19255

4. Article Number
P 712 869 379

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee
X

6. Signature — Agent
X

7. Date of Delivery

8. Addressee's Address *(ONLY if requested and fee paid)*

PSC Phila. PA

PS Form 3811, Mar. 1987 ★ U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

U.S.MAIL

PENALTY FOR PRIVATE USE, $300

RETURN TO

Print Sender's name, address, and ZIP Code in the space below.

WALTER L Williams, ESQ.
Steptoe & Johnson

P. O. Box 2190

Clarksburg, West Virginia 26302-2190

(Guthrie)

24A

WV MUNICIPAL BOND COMMISSION
Suite 337 Building 3
1800 Washington St. E
State Capitol Complex
Charleston, WV 25305
(304) 348-3971

NEW ISSUE REPORT FORM

Date of Report: March 30, 1990

(See Reverse for Instructions)

ISSUE: GUTHRIE PUBLIC SERVICE DISTRICT, Sewer Revenue Bonds, Series 1990 A

ADDRESS: P. O. Box 10116, Charleston, WV 25357 COUNTY: Kanawha

PURPOSE OF ISSUE: New Money X Refunding ____ Refunds issue(s) dated: ____

ISSUE DATE: March 30, 1990 CLOSING DATE: March 30, 1990

ISSUE AMOUNT: $ 878,695 RATE: 7.85%

1st DEBT SERVICE DUE: 10/1/90 1st PRINCIPAL DUE: 10/1/91

1st DEBT SERVICE AMOUNT: $34,680.38 PAYING AGENT: One Valley Bank, National Association

ISSUERS
BOND COUNSEL: Steptoe & Johnson
Contact Person: Walter L. Williams, Esq.
Phone: 624-8152

CLOSING BANK: One Valley Bank, National Association
Contact Person: Charlotte S. Morgan
Phone: 348-7000

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Erick Haynes
Position: Chairman
Phone: 344-8689

UNDERWRITERS
BOND COUNSEL: Jackson & Kelly
Contact Person: Samme L. Gee, Esquire
Phone: 340-1318

ESCROW TRUSTEE: ____
Contact Person: ____
Phone: ____

OTHER: ____
Contact Person: ____
Function: ____
Phone: ____

DEPOSITS TO MBC AT CLOSE:
By ____ Wire
X Check

____ Accrued Interest: $ ____
X Capitalized Interest: $ 80,500
____ 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: ____

25A

WV MUNICIPAL BOND COMMISSION
Suite 337 Building 3
1800 Washington St. E
State Capitol Complex
Charleston, WV 25305
(304) 348-3971

NEW ISSUE REPORT FORM

Date of Report: March 30, 1990

(See Reverse for Instructions)

ISSUE: GUTHRIE PUBLIC SERVICE DISTRICT, Sewer Revenue Bonds, Series 1990 B

ADDRESS: P. O. Box 10116, Charleston, WV 25357 COUNTY: Kanawha

PURPOSE OF ISSUE: New Money X Refunding ____ Refunds issue(s) dated: ____

ISSUE DATE: March 30, 1990 CLOSING DATE: March 30, 1990

ISSUE AMOUNT: $ 41,005 RATE: 0%

1st DEBT SERVICE DUE: 10/1/91 1st PRINCIPAL DUE: 10/1/91

1st DEBT SERVICE AMOUNT: $1,051.42 PAYING AGENT: One Valley Bank, National Association

ISSUERS
BOND COUNSEL: Steptoe & Johnson
Contact Person: Walter L. Williams, Esq.
Phone: 624-8152

CLOSING BANK: One Valley Bank, National Association
Contact Person: Charlotte S. Morgan
Phone: 348-7000

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Erick Haynes
Position: Chairman
Phone: 344-8689

UNDERWRITERS
BOND COUNSEL: Jackson & Kelly
Contact Person: Samme L. Gee, Esqure
Phone: 340-1318

ESCROW TRUSTEE: ____
Contact Person: ____
Phone: ____

OTHER: ____
Contact Person: ____
Function: ____
Phone: ____

DEPOSITS TO MBC AT CLOSE:
By ____ Wire
____ Check

____ Accrued Interest: $ ____
____ Capitalized Interest: $ ____
____ Reserve Account: $ ____
____ Other: ____ $ ____

REFUNDS & TRANSFERS BY MBC AT CLOSE:
By ____ Wire
____ Check
____ IGT

____ To Escrow Trustee: $ ____
____ To Issuer: $ ____
____ To Cons. Invest. Fund: $ ____
____ To Other: ____ $ ____

NOTES: ____

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: ____
TRANSFERS REQUIRED: ____

25B

ALL STATE LEGAL SUPPLY CO ONE COMMERCE DRIVE CR NEW JERSEY 07016 FD 11-20

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
6TH AND WALNUT STREETS
PHILADELPHIA, PENNSYLVANIA 19106

OCT 5 1984

CERTIFIED MAIL

RE: C-540639-01
Guthrie Public Service District

RECEIVED

OCT 10 1984

Construction Grants Branch

Mr. Michael W. Casdorph, Chairman
P.O. Box 10116
Charleston, West Virginia 25327

Dear Mr. Casdorph:

We are pleased to inform you of the award of a Step 2/3 Federal grant for the preparation of construction drawings and specifications, and construction of wastewater treatment works for the above referenced project, as described in your application and approved by the West Virginia Department of Natural Resources.

The grant award is for an amount not to exceed $1,254,900, and is subject to the conditions set forth in Part III of the Assistance Agreement.

Copies of the applicable Federal Regulations are forwarded for your reference.

The original and a copy of the Assistance Agreement are enclosed. The original copy of the agreement should be signed and returned to Mr. Frank Snock, Chief, Grants Management Section, within twenty-one days of your receipt. The copy should also be signed and retained for your files.

Sincerely yours,

Greene A. Jones, Director
Water Management Division

Enclosures

cc: Mr. Warren Means, WVDNR
Mr. Edgar Henry, WDA
Mr. Wesley King, COE
Dunn Engineers

26eA

U.S. ENVIRONMENTAL PROTECTION AGENCY
EPA ASSISTANCE AGREEMENT/AMENDMENT
PART I - ASSISTANCE NOTIFICATION INFORMATION

1. ASSISTANCE ID NO. C540639-01-0
2. LOG NUMBER THREE-C 259
3. DATE OF AWARD SEP 28 1984
4. MAILING DATE OCT 5 1984

5. AGREEMENT TYPE
- Cooperative Agreement
- Grant Agreement X
- Assistance Amendment

6. PAYMENT METHOD
☐ Advance ☒ Reimbursement ☐ Letter of Credit

Send Payment Request To: Grants Management Section

7. TYPE OF ACTION: New

RECIPIENT ORGANIZATION

8. RECIPIENT
Guthrie Public Service District
P. O. Box 10116
Charleston, WV 25357

9. PAYEE
Guthrie Public Service District
P. O. Box 10116
Charleston, WV 25357

EIN NO.

CONGRESSIONAL DISTRICT: 3rd

10. RECIPIENT TYPE: Public Service District

11. PROJECT MANAGER AND TELEPHONE NO.
Michael W. Casdorph, Chairman
(304) 357-3377

12. CONSULTANT (WWT Construction Grants Only)
Dunn Engineers, Inc.
706 Central Avenue
Charleston, WV 25302 (304) 342-3436

EPA CONTACT

13. ISSUING OFFICE (City/State)
Philadelphia, Pennsylvania

14. EPA PROJECT/STATE OFFICER AND TELEPHONE NO.
R. Fenton Roudabush, Chief
West Virginia Section
(215) 597-9131

15. EPA CONGRESSIONAL LIAISON & TEL. NO.: Patricia Gaskins 202-382-5184

16. STATE APPL ID (Clearinghouse): WV 840716-041

17. FIELD OF SCIENCE: N/A

18. PROJECT STEP (WWT CG Only): 2/3

19. STATUTORY AUTHORITY: Clean Water Act, Title II

20. REGULATORY AUTHORITY: 40 CFR, Parts 30&35

21. STEP 2 + 3 & STEP 3 (WWT Construction Only)

a. Treatment Level	1
b. Project Type	NEW
c. Treatment Process	N/A
d. Sludge Design	N/A

22. PROJECT TITLE AND DESCRIPTION
Construction of approx. 35,250 LF 8" gravity lines, 1,500 LF of 10" gravity lines, 171 manholes, 5,000 LF of 6" service lines, a flow meter and vault. The eligible project includes allowable associated costs as defined in 40 CFR 35.2250, up to the amounts shown in Part II of the Assistance Agreement.

23. PROJECT LOCATION (Areas Impacted by Project)

City/Place	County	State	Congressional District
Guthrie	Kanawha	WV	3rd

24. ASSISTANCE PROGRAM (CFDA Program No. & Title): 66.418

25. PROJECT PERIOD: 9/84 - 11/87

26. BUDGET PERIOD: N/A

27. COMMUNITY POPULATION (WWT CG Only): 565

28. TOTAL BUDGET PERIOD COST: N/A

29. TOTAL PROJECT PERIOD COST: $1,673,200

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
30. EPA Amount This Action		1,254,900	
31. EPA In-Kind Amount			
32. Unexpended Prior Year Balance			
33. Other Federal Funds			
34. Recipient Contribution			
35. State Contribution			
36. Local Contribution			
37. Other Contribution			
38. Allowable Project Cost		1,673,200	

39. FISCAL

Program Element	FY	Appropriation	Doc. Control No.	Account Number	Object Class	Obligation/Deobligation Amount
GLAW80	84	68X0103.G	W84008	4GLA036006	41.11	$1,254,900

TABLE A – OBJECT CLASS CATEGORY (Non-construction)	TOTAL APPROVED ALLOWABLE BUDGET PERIOD COST
1. PERSONNEL	
2. FRINGE BENEFITS	
3. TRAVEL	
4. EQUIPMENT	
5. SUPPLIES	
6. CONTRACTUAL	
7. CONSTRUCTION	
8. OTHER	
9. TOTAL DIRECT CHARGES	
10. INDIRECT COSTS RATE % BASE	
11. TOTAL (Share: Recipient ____ %. Federal ____ %.)	
12. TOTAL APPROVED ASSISTANCE AMOUNT	$ N/A
TABLE B – PROGRAM ELEMENT CLASSIFICATION (Non-construction)	
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12. TOTAL (Share: Recipient ____ %. Federal ____ %.)	
13. TOTAL APPROVED ASSISTANCE AMOUNT	$ N/A
TABLE C – PROGRAM ELEMENT CLASSIFICATION (Construction)	
1. ADMINISTRATION EXPENSE	9,237
2. PRELIMINARY EXPENSE	
3. LAND STRUCTURES, RIGHT-OF-WAY	
4. ARCHITECTURAL ENGINEERING BASIC FEES	20,137
5. OTHER ARCHITECTURAL ENGINEERING FEES	38,775
6. PROJECT INSPECTION FEES	122,690
7. LAND DEVELOPMENT	
8. RELOCATION EXPENSES	
9. RELOCATION PAYMENTS TO INDIVIDUALS AND BUSINESSES	
10. DEMOLITION AND REMOVAL	
11. CONSTRUCTION AND PROJECT IMPROVEMENT	1,270,400
12. ~~EQUIPMENT~~ Design Allowance	80,017
13. ~~MISCELLANEOUS~~ Legal & Fiscal	5,000
14. TOTAL (Lines 1 thru 13)	
15. ESTIMATED INCOME (If applicable)	
16. NET PROJECT AMOUNT (Line 14 minus 15)	
17. LESS: INELIGIBLE EXCLUSIONS	
18. ADD: CONTINGENCIES	126,944
19. TOTAL (Share: Recipient 25 %. Federal 75 %.)	1,673,200
20. TOTAL APPROVED ASSISTANCE AMOUNT	$ 1,254,900

a. **GENERAL CONDITIONS**

The recipient covenants and agrees that it will expeditiously initiate and timely complete the project work for which assistance has been awarded under this agreement, in accordance with all applicable provisions of 40 CFR Chapter I, Subpart B. The recipient warrants, represents, and agrees that it, and its contractors, subcontractors, employees and representatives, will comply with: (1) all applicable provisions of 40 CFR Chapter I, Subchapter B, INCLUDING BUT NOT LIMITED TO the provisions of Appendix A to 40 CFR Part 30, and (2) any special conditions set forth in this assistance agreement or any assistance amendment pursuant to 40 CFR 30.425.

b. **SPECIAL CONDITIONS**

(For cooperative agreements include identification or summarization of EPA responsibilities that reflect or contribute to substantial involvement.)

The grantee is subject to all the requirements of 40 CFR Part 35, Subpart I, Part 30, Part 33 and other pertinent regulations. The grantee is directed to certain following special considerations of those requirements.

(1) Regulations Affecting Federal Grant Payments

(a) Payments shall not be made for Step III professional services until the grantee complies with the procurement requirements of 40 CFR Part 33, Subpart A.

(b) The Regional Administrator shall not pay more than 50% of the Federal share unless the grantee has furnished a satisfactory final plan of operation, and shall not pay more than 90% unless the grantee has furnished a satisfactory operation and maintenance manual (40 CFR 35.2206).

(c) Payments shall be made in accordance with 40 CFR 35.2300.

(d) The grantee may submit requests for payment for allowable costs incurred in accordance with the following schedule:

Payment No.	Date	Payment	Cumulative Amount (not to be exceeded)
1	01/85	30,000	30,000
2	08/85	30,012	60,012
3	10/85	75,000	135,012
4	11/85	75,000	210,012
5	12/85	50,000	260,012
6	01/86	50,000	310,012
7	02/86	50,000	360,012
8	03/86	59,569	419,581
9	04/86	100,000	519,581
10	05/86	100,000	619,581
11	06/86	100,000	719,581
12	07/86	100,000	819,581
13	08/86	100,000	919,581
14	09/86	100,000	1,019,581
15	10/86	100,000	1,119,581
16	11/86	124,400	1,243,981
17	05/87	5,450	1,249,431
18	11/87	5,469	1,254,900

(2) Project Schedule Changes

For any changes in the project which increase the cost, delay or accelerate the project or alter the project in other ways (40 CFR 35.2204), the grantee must receive a formal grant amendment from the Regional Administrator before implementing the changes. Of particular interest is any change in completion of final design drawings and specifications, date of advertisement for bids, the building completion date as referenced in 40 CFR 35.2216, and the initiation of project operation date. The latter date is considered, at the time of this grant, to be 11/86 . The grantee further agrees to provide the Regional Administrator, upon request, with a revised schedule for payment.

(3) Project Initiation

The grantee agrees to initiate the building of all significant elements of the project within 12 months after authorization to advertise for bids has been given (40 CFR 35.2212). To the extent practicable this initiation should not occur before all sites, easements and rights-of-way are acquired. The grantee shall notify the Regional Administrator immediately upon award of the contracts.

(4) Sewer Use Ordinance and User Charge System

The grantee agrees to adopt its sewer use ordinance and implement its user charge system before the treatment works is placed in operation (40 CFR 35.2208).

(5) Project Performance

The grantee agrees to certify to the Regional Administrator on the date one year after the initiation of operation whether or not the project is capable of meeting the project performance standards (40 CFR 35.2218(c)).

(6) Subagreements and Contracts

(a) The grantee agrees to negotiate a subagreement and contract for all services to be awarded under this grant. Such subagreements and contracts shall be in conformance with and incorporate the required clauses of 40 CFR Part 33.

(b) A copy of the proposed subagreements and contracts shall be submitted to the Regional Administrator for review and pre-award approval as appropriate under 40 CFR Part 33. The submittal of the proposed subagreements and contracts shall include the procurement records required in Appendix A to 40 CFR Part 33.

(c) The grantee shall submit to the Regional Administrator the proposed subagreement and contract cost or price data on EPA Form 5700-41 or on a form which contains similar information.

(7) Flood Insurance

The grantee agrees to acquire and maintain at his own cost any flood insurance made available to it under the National Flood Insurance Act of 1968, as amended. This condition shall not be applicable if, on the date of execution of this Grant Agreement by both parties, flood insurance was not available pursuant to the Flood Insurance Act of 1968, as amended, for property in the project location.

(8) Land Acquisition

The grantee shall not make any offer to acquire allowable real property until the Regional Administrator approves the price the grantee will offer the property owner (40 CFR 35.2210).

(9) Review

The grantee recognizes that approval of any part of this grant, change orders, grant increase amendments, subagreements, any specific items, or eligibility of any other costs will be subject to final review, including project officer review, audit review, and final determination of the Grant Approving official.

(10) Advertisement for Bids

Prior to the advertisement for construction bids, the grantee agrees to submit to the Regional Administrator for approval the following:

(a) A draft plan of operation (40 CFR 35.2106);

(b) An executed intermunicipal service agreement (40 CFR 35.2107)

(c) A user charge system (40 CFR 35.2140); Sewer Use Ordinance (40 CFR 35.2130); and

(d) Final design drawings and specifications (40 CFR 35.2040)(b)(5).

(11) MBE/WBE Requirements

The recipient agrees to submit to the Chief, Construction Grants Branch, Attn: EEO Specialist, EPA Region III, a completed EPA Form 6005-1 within 30 days after the date the recipient begins building the project (see 40 CFR 35.2202). This 6005-1 will contain the information on subagreement awards to minority and women's businesses used during the design phase of the project.

The recipient further agrees to submit to the Chief, Construction Grants Branch, Attn: EEO Specialist, EPA-Region III, a completed Form 6005-1 within 15 days after the end of each Federal fiscal quarter during which the recipient or its contractors award any subagreements to a minority or women's business for building and building-related services and supplies.

(12) Public Participation

Additional public participation will be required to inform prospective users of the expected costs and rates. The grantee should submit to the DNR project officer, within 4 months, a plan/schedule for conducting the additional public participation.

ASSISTANCE IDENTIFICATION NO. C540639-01-0

SPECIAL CONDITIONS (Continued)

PART IV

NOTE: The Agreement must be completed in duplicate and the Original returned to the Grants Administration Division for Headquarters awards and to the appropriate Grants Administrations Office for State and local awards within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA.

Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the recipient subsequent to the document being signed by the EPA Award Official which the Award Official determines to materially alter the Agreement shall void the Agreement.

OFFER AND ACCEPTANCE

The United States of America, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers assistance/~~amendment~~ to the Guthrie Public Service District (RECIPIENT ORGANIZATION) for 75 % of all approved costs incurred up to and not exceeding $1,254,900 (ASSISTANCE AMOUNT) for the support of approved budget period effort described in application *(including all application modifications)* C540639-01-0 Guthrie Public Service District (DATE AND TITLE) included herein by reference.

ISSUING OFFICE *(Grants Administration Office)*	AWARD APPROVAL OFFICE
ORGANIZATION/ADDRESS Environmental Protection Agency Grants Management Section (3PM32) Curtis Building, 6th & Walnut Streets Philadelphia, Pa. 19106	ORGANIZATION/ADDRESS Environmental Protection Agency Water Management Division (3WM00) Curtis Building, 6th & Walnut Streets Philadelphia, Pa. 19106

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE	DATE
Thomas P. Eichler	Thomas P. Eichler, Regional Administrator	SEP 28 1984

This Agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2, the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter I, Subchapter B and of the provisions of this agreement (Parts I thru IV), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
Michael W. Casdorph	Michael W. Casdorph, Chairman	10/26/84

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RESOURCES
1201 Greenbrier Street
Charleston, West Virginia 25311

GASTON CAPERTON
Governor

J. EDWARD HAMRICK III
Director

LARRY W. GEORGE
Deputy Director

March 5, 1990

Mr. Erick Haynes, Chairman
Guthrie Public Service District
P. O. Box 10116
Charleston, West Virginia 25357

RE: Guthrie PSD
C-540639-01

Dear Mr. Haynes:

You are hereby advised that the bidding procedures for Contracts A and B have been reviewed and approved. The contracts may now be awarded to the low, responsive bidders, Rover Construction, Incorporated and Taylor and Striegel, Incorporated, as indicated by the proposal you have submitted.

Certain construction activities have been assigned to our Engineering Section. You will be contacted by a representative of this section in the near future.

The Part B documents that you submitted are being reviewed by this office. The official approval letter and the grant amendment are currently being processed and will be forwarded under separate cover. The total Eligible project costs are $2,206,600 reflecting an EPA grant of $1,654,950.

Should you have any questions, please contact Rosalie Ortega or Jim Calvert at (304) 348-0637.

Sincerely,

CONSTRUCTION GRANTS BRANCH

Mike Johnson

Mike Johnson, P. E.
Branch Head

MJ/jra

cc: Chuck Fogg, EPA
Bernie Yonkosky, WDA
Howard Cunningham, PSC
Dunn Engineers

26B

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RESOURCES
1201 Greenbrier Street
Charleston, West Virginia 25311

GASTON CAPERTON
Governor

J. EDWARD HAMRICK III
Director

LARRY W. GEORGE
Deputy Director

RECEIVED
MAR 08 1990
Dunn Engineers, Inc.

March 5, 1990

Mr. Frederick G. Warren, Chief
Grants Management Section (3PM71)
Environmental Protection Agency
Region III
841 Chestnut Building
Philadelphia, Pennsylvania 19107

RE: Guthrie PSD
C-540639-01

Dear Mr. Warren:

Transmitted are the Part B documents for Contracts A and B of the referenced project. The State approves the bidding procedures and the request for grant increase in the amount of $400,050 reflecting a revised federal grant of $1,654,950. The total eligible project cost is now $2,206,600.

Should you have any questions, please call Rosalie Ortega at (304) 348-0637.

Sincerely,

CONSTRUCTION GRANTS BRANCH

Mike Johnson

Mike Johnson, P. E.
Branch Head

MJ/jra

Enclosures

cc: Guthrie PSD
Dunn Engineers
Bernie Yonkosky, WDA
Howard Cunningham, PSC

2ec

KANAWHA COUNTY COMMISSION

Louis H. Bloom, President
Don Joe Hunt, Commissioner
William J. Reese, Commissioner

Post Office Box 3627
Charleston, West Virginia 25336

Telephone (304) 357-0101

September 14, 1989

RE: LETTER OF INTENT - FISCAL YEAR 1989-90

AGENCY: Guthrie Public Service District
ADDRESS: Post Office Box 10116
Charleston, West Virginia 25357
PROJECT DIRECTOR: Erick Haynes, Chairman

PHONE NUMBER: 344-8689
AMOUNT: $103,186.00
FUND: Community Development
ACCOUNT #: 524-5-68.35

PROJECT SUMMARY: Provide sanitary sewer service to approximately 345 to 350 customers in the Guthrie PSD service area.

Dear Mr. Haynes:

Please be advised that the Kanawha County Commission has appropriated, as of this date, the money outlined above as per your request; however, before any money is officially obligated you must sign and return the attached General & Specific Requirements. These requirements are an essential part of this Letter of Intent.

The Kanawha County Commission also requires that you comply with the rules and regulations of the Kanawha County Purchasing Department relating to the purchasing of materials and/or contracting of services. Costs accrued from the project will be paid upon proper presentation of signed invoices to the Kanawha County Commission in an amount not exceeding the total amount of funds committed to this project.

The Kanawha County Commission is honored in having the opportunity of working with you in this worthwhile project for the citizens of Kanawha County.

Sincerely yours,

COUNTY COMMISSION OF KANAWHA COUNTY

Louis H. Bloom, President

Don Joe Hunt, Commissioner

William J. Reese, Commissioner

SPECIFIC REQUIREMENTS

The Kanawha County Commission is allocating $103,186.00 from its 1989-90 Community Development Fund to the Guthrie Public Service for the completion of a sanitary sewer service to serve approximately 345 to 350 customers in the Guthrie PSD service area.

All rules and regulations of the Kanawha County Purchasing Department shall be followed in the expenditure of these funds.

Upon the receipt of properly acquired and approved invoices, the Kanawha County Commission will pay for expenses incurred on this project in an amount not to exceed $103,186.00.

CERTIFICATION OF COMPLIANCE

I hereby acknowledge the aforementioned Specific Requirements and certify to their compliance in the expenditure of these monies. I also hereby acknowledge that any funds expended in contravention of federal or state laws and regulations and these Specific Requirements, that may be identified as an audit exception requiring repayment, will be the sole responsibility of the recipient organization and not the Kanawha County Commission.

Erick L. Hungrist
Project Director

GUTHRIE P.S.D.
Agency

Date: MARCH 13, 1990

GENERAL REQUIREMENTS

NONDISCRIMINATION:

A recipient of funds is prohibited from discriminating on the basis of race, color, national origin, religion, sex, handicapped status or age in any program, activity or structure funded by the Kanawha County Commission.

DAVIS-BACON ACT:

If County Commission funds are used to finance 25 percent or more of a contracted construction or repair project costing over $2,000, then the recipient must ensure compliance with the prevailing wage rate and labor standards established by the Davis-Bacon Act. Prevailing wages mean State as well as Davis-Bacon. If state wage rates are higher, they must be followed. Documentation of same shall be provided to the Planning and Community Development Director.

PREVAILING RATES OF PAY:

Individuals employed in any capacity by a recipient must be paid the same wage as other employees performing similar work if County Commission funds are used to pay 25 percent or more of the wages of all employees in the same occupational category. Documentation of same shall be provided to the Planning & Community Development Director.

ACCOUNTING PROCEDURES:

Regulations require that a recipient maintain fiscal accounts in a manner that will:

(1) Permit the preparation of audits are required by accepted state auditing practices.

(2) Allow the tracing of entitlement funds to an expenditure level which demonstrates that the funds were used in compliance with the requirements of all applicable auditing regulations. Such tracing requires that vouchers supporting expenditures may be identified in any one of three ways:

(a) Maintain a separate set of fund accounts; or,

(b) Establish a separate bank account; or,

(c) Maintain a memorandum record of the voucher numbers and amounts and amounts of expenditures made from the fund.

(3) Use, at a minimum, the same accounting and internal audit procedures that apply to the expenditure of its own source revenues; and,

(4) Document the acquisition and transfer of all real and tangible personal property valued in excess of $1,000, which was acquired with County Commission funds. This documentation must indicate:

(a) Date of purchase;

(b) Location of property;

(c) Date of disposal or transfer; and,

(d) Transferee (new property owner).

Once the property is sold, discarded or traded by the recipient, this record keeping provision is no longer applicable.

AUDIT REQUIREMENTS:

Recipients receiving $25,000 or more of County Commission funds must have an independent audit of their financial statements completed annually or at the completion of any capital construction project. The audit must be conducted for the year in which the award was expended and in accordance with generally accepted auditing standards.

Before any 1989-90 funds can be drawn, a copy of the organization's prior year audit report must be submitted to the attention of the County Manager, Kanawha County Commission, Post Office Box 3627, Charleston, West Virginia 25336. Monthly meeting notices and four (4) copies of an organization's monthly minutes must also be submitted in a timely manner to the same address.

These requirements do not apply to recipients receiving less that $25,999 unless statutorily required due to other State Code provisions or previously requested by the Kanawha County Commission.

PURCHASING REGULATIONS OF THE KANAWHA COUNTY COMMISSION:

VALUE OF PURCHASE	COMPETITIVE BIDDING PROCEDURE
$1 - $199	Three (3) telephone quotations required.
$200 - $999	Three (3) telephone quotations required and a record of the same submitted with request for payment.
$1,000 - $4,999	Three (3) written quotations required and record of the same submitted with request for payment.
$5,000 - Or More	Sealed bids to be solicited via Class II legal advertisements within fourteen (14) days preceding the bid deadline and public bid opening. All bids shall be arranged in advance through the County Purchasing Director. A copy of bid tabulation sheet and minutes accepting and awarding bid shall be submitted with request for payment.

REQUISITION FOR PAYMENT PROCEDURES:

The aforementioned Purchasing Regulations of the Kanawha County Commission are to be followed in the expenditure of your 1989-90 Kanawha County Commission award. Please note the "Value of Purchase" and the corresponding "Competitive Bidding Procedure" to be utilized for each purchase. These purchasing regulations shall be followed to insure payment (or reimbursement) for all expenditures that involve county funds. It is also noted that the Kanawha County Commission is a tax exempt organization and therefore will not pay or reimburse for sales tax charged to any given project. It is your responsibility to notify a vendor of this prior to the purchase of materials.

Once your project has purchased an item or items, according to the Purchasing Regulations, and received and invoice, the following steps shall be taken towards payment of the invoice (s):

(1) All invoices shall be signed by the Project Director to indicate that the materials have been received in good condition and the invoice is approved for payment. Each invoice shall state clearly the item (s) purchased, quantity and price of each.

(2) Submit a written request to the Kanawha County Commission signed by the Project Director requesting payment of invoices. Request shall list vendors to be paid and total each vendor and state that all materials have been received in good condition. Attached to the request shall be all invoices for which you are requesting payment. Attached to each invoice shall be the necessary competitive bidding documentation as outlined in the Purchasing Regulations.

(3) All purchases shall be made through the lowest responsible quoted vendor.

(4) Payments shall be made for expenses incurred from July 1, 1989, through June 30, 1990.

(5) If a request for payment is for the reimbursement to your organization for expenditures on a project, a copy of the cancelled check shall be submitted in addition to the aforementioned documentation.

(6) The request for payment shall be mailed to:

Planning & Community Development
Kanawha County Courthouse
409 Virginia Street E.
Charleston, West Virginia 25301

Attn: Jean Gibson

(7) Only invoices for projects approved by the Kanawha County Commission will be honored. Any requests to modify the originally approved work must be submitted in advance in writing at the above address and a notice of approval received before any expenses are incurred.

(8) All requests for payment must be submitted by June 1, 1990.

(9) Since estimates are often used in the presentation of request forms, the County Commission has only authorized payment of actual costs for approved projects up to whatever maximum limit is set by the Letter of Intent. Any unused balance will be reallocated to requests received in next year's budget period.

Any questions regarding these Purchasing Regulations and/or Requisition for Payment Procedures shall be directed to Jean Gibson in the Planning and Community Development Office (357-0570).

Failure to follow these procedures may result in the delay or denial of your request for payment.

CERTIFICATION OF COMPLIANCE:

I hereby acknowledge the aforementioned General Requirements and certify to their compliance in the expenditures of these monies. I also hereby acknowledge that any funds expended in contravention of federal or state laws and regulations and these General Requirements, that may be identified as an audit exception requiring repayment, will be the sole responsibility of the recipient organization and not the Kanawha County Commission.

Eric L. Hughes
Project Manager

GUTHRIE P.S.D.
Agency

Date: MARCH 13, 1990

Office of the KANAWHA COUNTY COMMISSION

Robert F. Silverstein, President
F. Douglas Stump
Don Joe Hunt

Post Office Box 322
Charleston, West Virginia 2533

Telephone (304) 357-010

November 25, 1986

RE: LETTER OF INTENT - COMMUNITY DEVELOPMENT

AGENCY: Guthrie Public Service District
ADDRESS: Route 1; Box 422-A
Charleston, West Virignia 25312
PROJECT DIRECTOR: Eric L. Haynes, Chairman

PHONE NUMBER: 344-8689
FUNDS: $276,028.00
$1,254,900.00/EPA Grant
LOCAL FUNDS: $587,722/Loan

PROJECT SUMMARY: To provide sanitary sewer service to approximately 565 homes in the Guthrie PSD area.

Dear Mr. Haynes:

Please be advised that the Kanawha County Commission has appropriated, as of this date, the money outlined above as per your request; however, before any money is officially obligated you must sign and return the attached Specific Requirements. These requirements are an essential part of this Letter of Intent.

The Kanawha County Commission also requires that you comply with the rules and regulations of the Kanawha County Purchasing Department relating to the purchasing of materials and/or contracting of services. Costs accrued from the project will be paid upon proper presentation of signed invoices to the Kanawha County Commission in an amount not exceeding the total amount of funds committed to this project.

The Kanawha County Commission is honored in having the opportunity of working with you in this worthwhile project for the citizens of Kanawha County.

Sincerely yours,

COUNTY COMMISSION OF KANAWHA COUNTY

Robert F. Silverstein, President

F. Douglas Stump, Commissioner

Don Joe Hunt, Commissioner

27A

SPECIFIC REQUIREMENTS

This allocation of $276,028.00 from Community Development Funds shall be used to provide sanitary sewer service to approximately 565 homes in the Guthrie Public Service District.

All rules and regulations of the Kanawha County Purchasing Department shall be followed in the expenditure of these funds. In addition, the Guthrie Public Service District shall submit copies of its Commission meeting minutes which include bid opening and tabulation; award of contracts; and invoices approved for payment on this project.

Upon the receipt of properly acquired and approved invoices, the Kanawha County Commisison will pay for expenses incurred on this project in an amount not to exceed $276,028.00.

CERTIFICATION OF COMPLIANCE

I hereby acknowledge the aforementioned Specific Requirements and certify to their compliance in the expenditure of these monies. I also hereby acknowledge that any funds expended in contravention of federal or state laws and regulations and these Specific Requirements, that may be identified as an audit exception requiring repayment, will be the sole responsibility of the recipient organization and not the Kanawha County Commission.

Eric P. Thyne
Project Director

GUTHRIE P.S.D.
Agency

Date: 12-31-86

OFFICE OF THE KANAWHA COUNTY COMMISSION

F. Douglas Stump, President
Robert F. Silverstein - Henry C. Shores

Post Office Box 3226
Charleston, West Virginia 25332
Telephone (304) 348-0750

July 25, 1984

Mr. Thomas L. Goodwin
West Virginia Department of Natural
Resources
Water Resources Division
Grants Management Section
Construction Grants Branch
617 Broad Street
Charleston, West Virginia 25301

Re: C540639-01
Guthrie Public Service District
Step II/III Local Share

Dear Mr. Goodwin:

This letter is to inform you that the Kanawha County Commission has agreed, pending availability of funds, to provide the local share funding for the above referenced project, should this funding become necessary. The Commission recognizes the level of public support this project has maintained, as evidenced by the Senate Bill 95 process, and will provide pending availability of funds a grant in the amount not to exceed $482,400.00, should funding from other sources not become available.

Sincerely,

COUNTY COMMISSION OF KANAWHA COUNTY

F. Douglas Stump

F. Douglas Stump
President

Kanawha Commission OKs Sewer Projects Funding

The Kanawha County Commission last week agreed to put up the local share — a total of more than $1 million — for two proposed sewer projects in western Kanawha County that are not on the state's list of projects to be funded.

Both projects are pending applications, said Thomas Goodwin, section leader of grants management in the water resources division of the Department of Natural Resources.

Goodwin said the projects — for the Guthrie and Mount Tyler public service districts — are "not currently in the fundable portion" of the state-administered U.S. Environmental Protection Agency sewer grants list. Money could be made available later, if another project decreases in price or drops from the funded list, he added.

In last week's action, the commission sent letters to Goodwin telling him they are willing to provide $482,400 toward the $2,032,525 Guthrie project and $574,300 toward the $2,596,980 Mount Tyler project.

Commission President F. Douglas Stump voiced objections to the Kanawha projects not being funded when they are 11th and 15th on an EPA priority list, while a project in the northern part of the state may be funded despite being ranked 54.

"We think these projects have a higher priority than the one up north," Stump said.

But Goodwin, contacted later, said no decision has been made on the list.

The commission also signed letters of intent for spending this year's coal severance and federal revenue sharing money. Some 27 fire departments will receive $3,500 each for opeating expenses.

Other allocations include $12,500 to the Handley Volunteer Fire Department for a rescue truck; $25,000 to the Montgomery VFD for a rescue truck; $60,000 to the Chesapeake VFD for fire station improvements; $40,000 to the Marmet Community VFD for a tanker truck; $2,100 for lights to the St. Albans Babe Ruth League; $4,500 for lights to the Cross Lanes Lions Little League; $3,000 for a storage building to the Jefferson Public Service District; $4,000 to the Belle Old Stone House; $25,000 to Funds for the Fine Arts; $32,000 for a public water supply study to the Blue Creak Public Service District; and, $3,000 to the St. Albans Western Little League.

KANAWHA COUNTY COMMISSION

Louis H. Bloom, President
Don Joe Hunt, Commissioner
William J. Reese, Commissioner

Post Office Box 3627
Charleston, West Virginia 25336

Telephone (304) 357-0101

September 14, 1989

RE: LETTER OF INTENT - FISCAL YEAR 1989-90

AGENCY: Guthrie Public Service District
ADDRESS: Post Office Box 10116
Charleston, West Virginia 25357
PROJECT DIRECTOR: Erick Haynes, Chairman

PHONE NUMBER: 344-8689
AMOUNT: $103,186.00
FUND: Community Development
ACCOUNT #: 524-5-68.35

PROJECT SUMMARY: Provide sanitary sewer service to approximately 345 to 350 customers in the Guthrie PSD service area.

Dear Mr. Haynes:

Please be advised that the Kanawha County Commission has appropriated, as of this date, the money outlined above as per your request; however, before any money is officially obligated you must sign and return the attached General & Specific Requirements. These requirements are an essential part of this Letter of Intent.

The Kanawha County Commission also requires that you comply with the rules and regulations of the Kanawha County Purchasing Department relating to the purchasing of materials and/or contracting of services. Costs accrued from the project will be paid upon proper presentation of signed invoices to the Kanawha County Commission in an amount not exceeding the total amount of funds committed to this project.

The Kanawha County Commission is honored in having the opportunity of working with you in this worthwhile project for the citizens of Kanawha County.

Sincerely yours,

COUNTY COMMISSION OF KANAWHA COUNTY

Louis H. Bloom, President

Don Joe Hunt, Commissioner

William J. Reese, Commissioner

27B

SPECIFIC REQUIREMENTS

The Kanawha County Commission is allocating $103,186.00 from its 1989-90 Community Development Fund to the Guthrie Public Service for the completion of a sanitary sewer service to serve approximately 345 to 350 customers in the Guthrie PSD service area.

All rules and regulations of the Kanawha County Purchasing Department shall be followed in the expenditure of these funds.

Upon the receipt of properly acquired and approved invoices, the Kanawha County Commission will pay for expenses incurred on this project in an amount not to exceed $103,186.00.

CERTIFICATION OF COMPLIANCE

I hereby acknowledge the aforementioned Specific Requirements and certify to their compliance in the expenditure of these monies. I also hereby acknowledge that any funds expended in contravention of federal or state laws and regulations and these Specific Requirements, that may be identified as an audit exception requiring repayment, will be the sole responsibility of the recipient organization and not the Kanawha County Commission.

Eick R. Hughes
Project Director

GUTHRIE P.S.D.
Agency

Date: MARCH 13, 1990

GENERAL REQUIREMENTS

NONDISCRIMINATION:

A recipient of funds is prohibited from discriminating on the basis of race, color, national origin, religion, sex, handicapped status or age in any program, activity or structure funded by the Kanawha County Commission.

DAVIS-BACON ACT:

If County Commission funds are used to finance 25 percent or more of a contracted construction or repair project costing over $2,000, then the recipient must ensure compliance with the prevailing wage rate and labor standards established by the Davis-Bacon Act. Prevailing wages mean State as well as Davis-Bacon. If state wage rates are higher, they must be followed. Documentation of same shall be provided to the Planning and Community Development Director.

PREVAILING RATES OF PAY:

Individuals employed in any capacity by a recipient must be paid the same wage as other employees performing similar work if County Commission funds are used to pay 25 percent or more of the wages of all employees in the same occupational category. Documentation of same shall be provided to the Planning & Community Development Director.

ACCOUNTING PROCEDURES:

Regulations require that a recipient maintain fiscal accounts in a manner that will:

(1) Permit the preparation of audits are required by accepted state auditing practices.

(2) Allow the tracing of entitlement funds to an expenditure level which demonstrates that the funds were used in compliance with the requirements of all applicable auditing regulations. Such tracing requires that vouchers supporting expenditures may be identified in any one of three ways:

(a) Maintain a separate set of fund accounts; or,

(b) Establish a separate bank account; or,

(c) Maintain a memorandum record of the voucher numbers and amounts and amounts of expenditures made from the fund.

(3) Use, at a minimum, the same accounting and internal audit procedures that apply to the expenditure of its own source revenues; and,

(4) Document the acquisition and transfer of all real and tangible personal property valued in excess of $1,000, which was acquired with County Commission funds. This documentation must indicate:

(a) Date of purchase;

(b) Location of property;

(c) Date of disposal or transfer; and,

(d) Transferee (new property owner).

Once the property is sold, discarded or traded by the recipient, this record keeping provision is no longer applicable.

AUDIT REQUIREMENTS:

Recipients receiving $25,000 or more of County Commission funds must have an independent audit of their financial statements completed annually or at the completion of any capital construction project. The audit must be conducted for the year in which the award was expended and in accordance with generally accepted auditing standards.

Before any 1989-90 funds can be drawn, a copy of the organization's prior year audit report must be submitted to the attention of the County Manager, Kanawha County Commission, Post Office Box 3627, Charleston, West Virginia 25336. Monthly meeting notices and four (4) copies of an organization's monthly minutes must also be submitted in a timely manner to the same address.

These requirements do not apply to recipients receiving less that $25,999 unless statutorily required due to other State Code provisions or previously requested by the Kanawha County Commission.

PURCHASING REGULATIONS OF THE KANAWHA COUNTY COMMISSION:

VALUE OF PURCHASE	COMPETITIVE BIDDING PROCEDURE
$1 - $199	Three (3) telephone quotations required.
$200 - $999	Three (3) telephone quotations required and a record of the same submitted with request for payment.
$1,000 - $4,999	Three (3) written quotations required and record of the same submitted with request for payment.
$5,000 - Or More	Sealed bids to be solicited via Class II legal advertisements within fourteen (14) days preceding the bid deadline and public bid opening. All bids shall be arranged in advance through the County Purchasing Director. A copy of bid tabulation sheet and minutes accepting and awarding bid shall be submitted with request for payment.

REQUISITION FOR PAYMENT PROCEDURES:

The aforementioned Purchasing Regulations of the Kanawha County Commission are to be followed in the expenditure of your 1989-90 Kanawha County Commission award. Please note the "Value of Purchase" and the corresponding "Competitive Bidding Procedure" to be utilized for each purchase. These purchasing regulations shall be followed to insure payment (or reimbursement) for all expenditures that involve county funds. It is also noted that the Kanawha County Commission is a tax exempt organization and therefore will not pay or reimburse for sales tax charged to any given project. It is your responsibility to notify a vendor of this prior to the purchase of materials.

Once your project has purchased an item or items, according to the Purchasing Regulations, and received and invoice, the following steps shall be taken towards payment of the invoice (s):

(1) All invoices shall be signed by the Project Director to indicate that the materials have been received in good condition and the invoice is approved for payment. Each invoice shall state clearly the item (s) purchased, quantity and price of each.

(2) Submit a written request to the Kanawha County Commission signed by the Project Director requesting payment of invoices. Request shall list vendors to be paid and total each vendor and state that all materials have been received in good condition. Attached to the request shall be all invoices for which you are requesting payment. Attached to each invoice shall be the necessary competitive bidding documentation as outlined in the Purchasing Regulations.

(3) All purchases shall be made through the lowest responsible quoted vendor.

(4) Payments shall be made for expenses incurred from July 1, 1989, through June 30, 1990.

(5) If a request for payment is for the reimbursement to your organization for expenditures on a project, a copy of the cancelled check shall be submitted in addition to the aforementioned documentation.

(6) The request for payment shall be mailed to:

Planning & Community Development
Kanawha County Courthouse
409 Virginia Street E.
Charleston, West Virginia 25301

Attn: Jean Gibson

(7) Only invoices for projects approved by the Kanawha County Commission will be honored. Any requests to modify the originally approved work must be submitted in advance in writing at the above address and a notice of approval received before any expenses are incurred.

(8) All requests for payment must be submitted by June 1, 1990.

(9) Since estimates are often used in the presentation of request forms, the County Commission has only authorized payment of actual costs for approved projects up to whatever maximum limit is set by the Letter of Intent. Any unused balance will be reallocated to requests received in next year's budget period.

Any questions regarding these Purchasing Regulations and/or Requisition for Payment Procedures shall be directed to Jean Gibson in the Planning and Community Development Office (357-0570).

Failure to follow these procedures may result in the delay or denial of your request for payment.

CERTIFICATION OF COMPLIANCE:

I hereby acknowledge the aforementioned General Requirements and certify to their compliance in the expenditures of these monies. I also hereby acknowledge that any funds expended in contravention of federal or state laws and regulations and these General Requirements, that may be identified as an audit exception requiring repayment, will be the sole responsibility of the recipient organization and not the Kanawha County Commission.

Eric L. Hughes
Project Manager

GUTHRIE P.S.D.
Agency

Date: MARCH 13, 1990

KANAWHA COUNTY COMMISSION

Louis H. Bloom, President
Don Joe Hunt, Commissioner
William J. Reese, Commissioner

Post Office Box 3627
Charleston, West Virginia 25336

Telephone (304) 357-0101

November 21, 1989

Mr. Erick Haynes
Chairman
Guthrie Public Service District
Post Office Box 10116
Charleston, West Virginia 25357

Dear Mr. Haynes:

As you are aware, the Kanawha County Commission has allocated $103,186. from the Fiscal Year 1989-90 budget to provide sanitary sewer service to approximately 345 to 350 customers of the Guthrie Public Service District. A Letter of Intent, issued September 14, 1989, documents this appropriation.

You are further advised that the Commission, at their September 7, 1989, meeting, indicated that an additional $103,186 will be provided from the Fiscal Year 1990-91 budget, pending availability of funds.

This letter, then, will serve as confirmation of the $103,186. already allocated for Fiscal 1989-90. It further confirms that it is the Commission's intention to provide an additional $103,186 on or shortly after July 1, 1990.

If you have questions, or desire additional information, please contact me.

Sincerely,

Ron Gregory
County Manager

RG:ksh

cc: Wyatt Hanna
Bill Cummingham

276

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

ACCEPTANCE OF DUTIES OF REGISTRAR

ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association with its principal office in the City of Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Guthrie Public Service District Sewer Revenue Bonds, Series 1990 A and Series 1990 B, all dated March 30, 1990, in the aggregate principal amount of $919,700 and agrees to perform all duties of Registrar in connection with such Bonds, all as set forth in the Local Act authorizing issuance of the Bonds.

Dated this 30th day of March, 1990.

ONE VALLEY BANK, NATIONAL ASSOCIATION

By Charlotte S. Morgan
Its Corporate Trust Administrative Officer

03/28/90
GUTJ.02
36733/89001

28

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

ACCEPTANCE OF DUTIES OF DEPOSITORY BANK

ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association, with principal office in the City of Charleston, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond and Notes Resolution of Guthrie Public Service District, adopted March 29, 1990, authorizing issuance of the District's Sewer Revenue Bonds, Series 1990 A and Series 1990 B, both dated March 30, 1990, in the aggregate principal amount of $919,700 (collectively, the "Bonds") and agrees to perform all duties of Depository Bank in connection with such Bonds, all as set forth in said Resolution.

Dated this 30th day of March, 1990.

ONE VALLEY BANK, NATIONAL ASSOCIATION

By Charlotte L. Morgan
Its Corporate Trust Administrative Officer

03/28/90
GUTJ.P2
36733/89001

29

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRAN NEW JERSEY 07016 RD 11-20

GUTHRIE PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

CERTIFICATE OF REGISTRATION OF BONDS

I, CHARLOTTE S. MORGAN, Corporate Trust Administrative Officer of ONE VALLEY BANK, NATIONAL ASSOCIATION, as Registrar under the Local Act and Registrar's Agreement providing for the $919,700 aggregate principal amount of Sewer Revenue Bonds, Series 1990 A and Series 1990 B, of Guthrie Public Service District (the "Issuer"), hereby certify that on the 30th day of March, 1990, the single fully registered Series 1990 A Bond of the Issuer in the principal amount of $878,695 designated "Sewer Revenue Bond, Series 1990 A," numbered AR-1, and the single fully registered Series 1990 B Bond of the Issuer in the principal amount of $41,005 designated "Sewer Revenue Bond, Series 1990 B," numbered BR-1, were registered as to principal and interest (the Series 1990 B Bond being 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 as of this 30th day of March, 1990.

ONE VALLEY BANK, NATIONAL ASSOCIATION

By Charlotte S. Morgan
Its Corporate Trust Administrative Officer

03/28/90
GUTJ.Q2
36733/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANBURY NEW JERSEY 07016

ED 11-2C

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 30th day of March, 1990, by and between GUTHRIE PUBLIC SERVICE DISTRICT, a public 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 $919,700 aggregate principal amount of Sewer Revenue Bonds, Series 1990 A and Series 1990 B, in fully registered form (collectively, the "Bonds"), pursuant to a Bond and Notes Resolution adopted March 29, 1990, and a Supplemental Resolution adopted March 29, 1990 (collectively, the "Local Act");

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 Local Act, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Local Act provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Local Act and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Local Act 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 Local Act, 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 exclusion of interest on the Bonds from gross income for federal income tax purposes, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar, from time to time, the compensation for services rendered as provided in the annexed schedule and reimbursement for reasonable expenses incurred in connection therewith.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Local Act with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Local Act, the terms of the Local Act 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 Local Act 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: Guthrie Public Service District
P. O. Box 10116
Charleston, West Virginia 25357
Attention: Chairman

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 Local Act.

IN WITNESS WHEREOF, GUTHRIE PUBLIC SERVICE DISTRICT and ONE VALLEY BANK, NATIONAL ASSOCIATION, 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.

GUTHRIE PUBLIC SERVICE DISTRICT

By _____
Its Chairman

ONE VALLEY BANK, NATIONAL ASSOCIATION

By _____
Its Corporate Trust Administrative Officer

03/28/90
GUTJ.R3
36733/89001

EXHIBIT A

[Included in transcript as Document No. 1]

One Valley Bank
One Valley Square, P.O. Box 1793
Charleston, WV 25326
(304) 348-7000

March 30, 1990

ONE VALLEY BANK

Mr. Erick Haynes, Chairman
Guthrie Public Service District

RE: Guthrie Public Service District Sewer
Revenue Bonds, Series 1990

Dear Mr. Haynes:

I would like to express our appreciation for the opportunity to serve the District as Registrar, Authenticating Agent and Depository for the above referenced bond issue. Our fee for serving in this capacity is $600.00 annually.

This fee covers our services to authenticate the bond and execute all required documents at the pre-closing on March 29, 1990, receive the funds for deposit in the Construction Account on March 30, 1990, invest funds in permitted investments, disburse as requisitions are received and provide monthly statements of all transactions to the District and their accountant.

The first year's fee of $600.00 is due in advance through March 30, 1991. Please remit to the attention of the undersigned.

Should you have any questions or if I can be of any assistance, please do not hesitate to contact me at 348-7239.

Very truly yours,

Charlotte S. Morgan

Charlotte S. Morgan
Corporate Trust Administrative Officer
ONE FINANCIAL PLACE

CSM/scm

ASSIGNMENT SEPARATE FROM BOND

FOR VALUE RECEIVED, the West Virginia Water Development Authority hereby sells, assigns and transfers unto One Valley Bank, National Association, Charleston, West Virginia, the Sewer Revenue Bond, Series 1990 A, of Guthrie Public Service District in the principal amount of $878,695, numbered AR-1, standing in the name of West Virginia Water Development Authority on the books of said Issuer.

Dated: March 30, 1990.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By Daniel B. Yorkosky
Authorized Representative

03/28/90
GUTJ.S3
36733/89001

LAW OFFICES
KAUFFELT & KAUFFELT
803 KANAWHA VALLEY BUILDING
CHARLESTON, WEST VIRGINIA 25301
(304) 345-1272

T. D. KAUFFELT
JAMES D. KAUFFELT
MARK E. KAUFFELT

MAILING ADDRESS
P. O. BOX 3082
CHARLESTON, WV 25331
FAX (304) 345-1280

MAR 29 1990

March 28, 1990

Walter L. Williams, Esquire
STEPTOE & JOHNSON
Post Office Box 2190
Clarksburg, WV 26302

Re: Agreement between The Sanitary Board of The City of Charleston and The Guthrie Public Service District

Dear Mr. Williams:

Pursuant to your request, I have reviewed the Order of Robert F. Williams, Administrative Law Judge of the Public Service Commission of West Virginia concerning the proposed contract between The Sanitary Board of The City of Charleston and the Guthrie Public Service District. Judge Williams, in his Order dated March 15, 1990, requested that the proposed contract between The Sanitary Board of The City of Charleston and the Guthrie Public Service District be modified to either calculate the District's sewage treatment rates based upon the total volume of wastewater treated at the City of Charleston plant or the City of Charleston's calculated sewage treatment rate should be applied against the combined water consumption of the Guthrie Public Service District's customers. The aforementioned modification has been made to the proposed contract and while the contract at the present time remains unexecuted, the Sanitary Board is aware of the proposed contract. It is my opinion that the Board, at its next meeting, will formally approve the proposed contract.

I trust this information is sufficient for the purposes of allowing the Guthrie Public Service District to proceed with the closing of its sewer revenue bonds and should you desire any additional information, please do not hesitate to contact me.

Very truly yours,

T. D. Kauffelt

T. D. Kauffelt
Counsel for Charleston
Sanitary Board

TDK:nlb

AGREEMENT

This AGREEMENT, Made the 11th day of December, 1990, by and between the CITY OF CHARLESTON, a municipal corporation, hereinafter designated as CITY, the SANITARY BOARD OF THE CITY OF CHARLESTON, hereinafter designated as BOARD and the GUTHRIE PUBLIC SERVICE DISTRICT, a public corporation of the State of West Virginia, hereinafter designated as DISTRICT:

WITNESSETH:

WHEREAS, the CITY owns and the BOARD is responsible for the operation of a sanitary sewer system and wastewater treatment plant for which improvements are planned with the capability of providing secondary treatment levels as established by the United States Environmental Protection Agency and the West Virginia Department of Natural Resources; and,

WHEREAS, the DISTRICT is planning to construct a sanitary sewer system within the confines of its area as described in the order of the Kanawha County Court, dated November 29, 1977, establishing its district and to place into effect certain rates and charges to be made by it for the sale of its services to its customers; and

WHEREAS, the CITY'S wastewater treatment plant and sewer system has an adequate design capacity to handle the DISTRICT and the CITY agrees to reserve an adequate portion of the design capacity for use by the DISTRICT, subject to the terms set forth herein; and,

WHEREAS, the DISTRICT desires to connect to the sewer system of the CITY and to be provided with secondary, or higher grade when required, treatment of wastewater delivered to the CITY'S sewer system by the DISTRICT; and,

NOW, THEREFORE, in consideration of the recitals, the parties do hereby agree as follows:

1. The DISTRICT shall design and cause to be constructed, at its sole cost, a sanitary sewer system meeting generally accepted sanitary engineering standards which will collect and transport sewage from within the boundaries of the DISTRICT to the CITY'S sewer system, with construction contingent upon the availability and granting of sums sufficient for such construction from federal, state and/or county agencies. The DISTRICT shall further limit the amount of infiltration and inflow which will be permitted in the newly constructed sanitary sewer system to 0 gallons of inflow and 200 gallons per inch diameter mile of infiltration per day during final inspection and testing of the system. DISTRICT will have the affirmative duty of seeing that no storm water enters its system. No industrial customer will use the DISTRICT system without approval of the BOARD, so that pretreatment may be arranged and charges for the industrial waste formulated.

2. The BOARD shall receive, treat and dispose of the wastewater from the DISTRICT at the Board's Wastewater Treatment Plant, which is operated by the Charleston Sanitary Board. The BOARD shall maintain responsibility for discharge of treated wastewater in accordance with State and Federal laws and

regulations; the DISTRICT shall not be liable for fines or penalties as a result of discharge violations resulting from improper operation of said Wastewater Treatment Plant; however, the DISTRICT shall be liable for any fine and/or penalty incurred as a result of discharge violations occurring at the Wastewater Treatment Plant that are a direct result of the introduction of prohibited materials into the Guthrie Public Service District collection system.

3. The fee for transportation and treatment of the DISTRICT'S wastewater by the BOARD shall be based upon the water usage of customers discharging sewage into the DISTRICT'S system, and such fee is hereby established as $0.77 per 1,000 gallons of flow. The rate contained herein is to be based upon metered water consumption records. Said fee reflects the total cost of said transportation and treatment on the basis of the water consumption of all customers introducing wastewater into the Board's system, and includes a pro rata share of the use of existing sewers, lift stations and treatment plant, as well as administration, operation, maintenance and any additional cost of service costs, including any and all legal fees incurred by the BOARD as a result of this Agreement. The parties hereto agree that the aforesaid fee has been mutually agreed to prior to any treatment and disposal of the DISTRICT'S wastewater in accordance with the intent and general concepts as described in Attachment "A" hereto. At the completion of the audit for the fiscal year ending June 30, 1990, and each fiscal year thereafter, the rate for the next fiscal year shall be calculated by the BOARD by

applying the formula attached hereto (Attachment "A") to the costs reflected in said audits and arriving at a cost based charge per thousand gallons of water usage by the sewage system customers. Said BOARD will notify DISTRICT of said new rate, together with the calculations showing how it was developed, and thirty (30) days after said notification the new rate will become effective. If a dispute arises regarding the correctness of the calculation of the new rate, the new rate will remain in effect until the resolution of the dispute, and upon resolution a refund can be made if the resolution establishes that the new rate is excessive. All new modifications of the CITY'S system required to accommodate the DISTRICT shall be prorated between the BOARD and DISTRICT (based on wastewater flow contributed by each party) and charged to the DISTRICT through the transportation and treatment fee.

3A. Should it become necessary to meter the DISTRICT'S wastewater through a master meter as a result of excessive infiltration and inflow, the cost of the metering facilities shall be at the sole cost to the DISTRICT in a manner and with equipment satisfactory to the BOARD. If the BOARD directs the DISTRICT to construct such a facility, the rates and charges contained herein will be modified under a cost of service study which sets out a rate based upon proportionate flows as reflected at the DISTRICT meter and the BOARD'S meter at the North Charleston Treatment Plant. In the event of a malfunction of the meter, said fee shall be based on comparable historical usage adjusted by any change in customers.

4. The DISTRICT will pay, and will protect, indemnify and save the BOARD and the CITY harmless from and against all liabilities, losses, damages, costs and expenses (including attorneys fees and expenses of the BOARD and CITY) causes of actions, suits, claims, demands and judgments of any nature arising from:

(A) any injury to or death of any person or damage to property in or upon DISTRICT'S property or facilities, or growing out of or connected with the use, non-use, condition or occupancy of the said DISTRICT'S property or facilities or a part thereof; such injuries and/or damage shall include any and all injuries or damage which may occur due to any failure or malfunction of the DISTRICT'S lift stations caused by any flood, hailstorm, windstorm, Act of God, and any and all unprecedented meteorological events; any repairs, construction or alterations or remodeling thereto as performed by the DISTRICT or their authorized agents or servants, excluding the BOARD or its agents or servants, or the condition of the DISTRICT'S property or facilities including sidewalks, streets or alleys and any equipment or facilities at any time located on the DISTRICT'S property or under the DISTRICT'S control and used in connection therewith;

(B) violation of any agreement, warranty, covenant or condition of this Agreement, except by the BOARD and the CITY;

(C) violation of any contract, agreement or restriction of the DISTRICT relating to the DISTRICT'S property or facilities, which shall have existed at the commencement of the Agreement; and

(D) violation of any law, ordinance, regulation or court order affecting the DISTRICT'S property or facilities or a part thereof or the ownership, occupancy or use thereof.

(E) The DISTRICT shall submit to the BOARD one (1) copy of the DISTRICT'S construction plans and specifications to allow the BOARD sufficient time to review and approve the documents or allow for comments to be resolved.

(F) The BOARD shall have the right to perform on-site inspections of the construction process and/or shall be part of the inspector qualification process, before construction begins on the DISTRICT'S system.

(G) Within sixty (60) days after construction completion, the DISTRICT shall provide to the BOARD one (1) set of "As-Built" plans and all records of "Hook-Ons" to allow the BOARD to properly maintain the system.

(H) The BOARD shall perform service, maintenance, and repairs on and for the DISTRICT'S sanitary sewer system on an "as needed" and "as requested" basis.

(I) The BOARD shall perform routine maintenance in accordance with the equipment manufacturer's specifications. The DISTRICT shall provide the BOARD with Operation and Maintenance Manuals and manufacturer's literature on all equipment to be serviced.

(J) The BOARD is authorized to make service calls and perform necessary repairs or service on the DISTRICT'S sewer lines and lift stations in response to notification or a need by any resident utilizing the DISTRICT'S sanitary sewer system without first clearing such action through a member of DISTRICT'S Board of Commissioners. Specifically, the BOARD is authorized to make any and all emergency repairs without question when, in the opinion of the BOARD'S Manager, an emergency repair is needed. The BOARD is not authorized to make service calls or repairs on property not owned by the DISTRICT or covered by the DISTRICT'S easements. The BOARD shall notify the DISTRICT of any extraordinary or major repairs which are required on the DISTRICT'S sewer system and are not emergency type repairs. The charge for "as needed", "as requested" and said emergency repairs shall be on a per call basis. Said charge

for the fiscal year ending June 30, 1990 will be calculated, per call, following the schedule of charges as described in Attachment "B" hereto. Charges for the materials necessary to make said repairs will be borne by the District. The parties agree hereto that the aforesaid charges has been mutually agreed to prior to any maintenance or repairs being made to the DISTRICT'S sewer system in accordance with the intent and general concepts as agreed in Attachment "B". At the completion of the audit for the fiscal year ending June 30, 1990, and each fiscal year thereafter, the rate for the next fiscal year shall be calculated by the BOARD by applying the formula attached hereto (Attachment "B") to the costs reflected in said audits and arriving at a cost based charge per bill. Said BOARD will notify DISTRICT of said new fee, together with the calculations showing how it was developed, and thirty (30) days after said notification the new rate will become effective. If a dispute arises regarding the correctness of the calculation of the new rate, the new rate will remain in effect until the resolution of the dispute, and upon resolution a refund can be made if the resolution established that the new rate is excessive.

(K) The BOARD shall install and maintain service lines which will be required after the initial construction project is completed. The BOARD shall make extensions to serve new customers, but only with written instruction and authorization from the DISTRICT. The BOARD shall inform the DISTRICT of the location of all service connections made. Payment to the BOARD for installing and maintaining service lines and connections shall be on cost of service basis.

(L) The DISTRICT agrees that it shall not allow any non-domestic waste to be introduced into its property or facilities, including its sanitary sewer collection system, without the express written approval of the BOARD.

(M) The BOARD shall bill the DISTRICT customers for sewer use at a rate established by the DISTRICT and approved by the Public Service Commission of West Virginia. The BOARD further agrees to accept payment by the DISTRICT'S customers, which shall be recorded and deposited into a bank account for the DISTRICT. The BOARD shall keep an account of all customer's bills and payments received. The fee for the billing and collecting of the DISTRICT'S charges shall be on a per bill basis and such fee is hereby established as $1.18 per bill for the fiscal year ending June 30, 1990. Said fee reflects the total

cost of said billing and collection and includes a pro rata share of the administrative costs incident to this activity. The parties agree hereto that the aforesaid fee has been mutually agreed to prior to any billing for the DISTRICT'S customers in accordance with the intent and general concepts as described in Attachment "C", hereto. At the completion of the audit for the fiscal year ending June 30, 1990, and each fiscal year thereafter, the rate for the next fiscal year shall be calculated by the BOARD by applying the formula attached hereto (Attachment "C") to the costs reflected in said audits and arriving at a cost based charge per bill. Said BOARD will notify DISTRICT of said new fee, together with the calculations showing how it was developed, and thirty (30) days after said notification the new rate will become effective. If a dispute arises regarding the correctness of the calculation of the new rate, the new rate will remain in effect until the resolution of the dispute, and upon resolution a refund can be made if the resolution established that the new rate is excessive.

(N) The BOARD shall have no duties or responsibilities in reference to soliciting, enforcing or compelling payment of delinquent accounts except to furnish to

the DISTRICT a list of such accounts and the amount of each when such accounts are delinquent for two consecutive months.

(O) The BOARD shall invoice the DISTRICT for all services on a monthly basis and the DISTRICT shall pay such invoices within thirty (30) days of receipt. The BOARD'S invoice shall have first priority in the distribution of funds available to meet the operation and maintenance expenses of the DISTRICT.

(P) The term "cost of service" as used in this Agreement shall include, but not be limited to, all wages, benefits, equipment rentals, fuel, materials, supplies, administration and overhead which can be associated directly or indirectly for providing the agreed upon services.

(Q) The fees and charges made to the DISTRICT by the BOARD for providing the agreed upon services shall be established with the objective that the BOARD will receive fair compensation for providing said services and that neither party will subsidize the other's capital or operation expenses. The intent of this Agreement is that both parties shall mutually benefit. Except for metered charges, all charges from the BOARD to the DISTRICT shall be actual costs to the BOARD.

(R) The parties hereto shall, upon request, provide the other with financial reports and related information as may be required.

(S) The parties hereto shall meet, at least quarterly, at a mutually agreed upon time and location, to discuss business, rates, communications, complaints, suggestions, etc., between the parties.

(T) The DISTRICT shall not extend the boundaries of its Public Service District as it is now described in the Order of the Kanawha County Commission establishing the DISTRICT nor shall it serve customers outside of its boundaries without specific written permission of the BOARD.

(U) The DISTRICT may, at its option, elect to perform its own service, maintenance, repairs, billing or collecting should it develop that such or any part can be performed by the DISTRICT at a lower cost. If the DISTRICT elects to perform any of the agreed upon services, it must give the BOARD written notice of such election at least one year before termination. The BOARD may also terminate this service, maintenance, repairs, billing or collection arrangement on giving one year notice of its election to do so;

(V) This Agreement is made by the parties hereto subject to the review and approval of the Public Service Commission of the State of West Virginia and

likewise all modifications made to this Agreement and pursuant to its terms shall be subject to the same review and approval.

(W) The length and duration of this Agreement shall be for a period of forty (40) years as to transportation and treatment, and for forty (40) years as to other services, subject to the above-mentioned elections to terminate on a one year notice.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement by their appropriate officers as of the day and year first above written.

ATTEST:

SANITARY BOARD OF THE CITY OF CHARLESTON

By: _____
Mayor

ATTEST:

By: _____
General Manager

ATTEST:

GUTHRIE PUBLIC SERVICE DISTRICT

By: _____
Chairman

CHARLESTON SANITARY BOARD
ATTACHMENT A
CALCULATION OF RATE - GUTHRIE PSD

1) COLLECTION SYSTEM	ANNUAL COST	PERCENT ALLOCATED	ALLOCATED TO GUTHRIE
a) Operation Supv. & Engr.	$72748.53	0.5%	$363.74
b) Operation & Maint. Labor	$226362.05	0.5%	$1131.81
c) Supplies & Expenses	$128759.51	0.5%	$643.80
TOTAL	$427870.09		$2139.35

2) PUMPING SYSTEM			
a) Operation Supv. & Engr.	$21719.01	2.1%	$452.48
b) Operation Labor	$203627.42	2.1%	$4242.24
c) Fuel & Power	$169655.41	2.1%	$3534.49
d) Supplies & Expenses	$37662.55	2.1%	$784.64
e) Maint Power Pumping Equip	$83003.60	2.1%	$1729.24
TOTAL	$515667.99		$10743.09

3) TREATMENT & DISPOSAL			
a) Operation Supv. & Engr.	$84823.64	100.0%	$84823.64
b) Operation Labor	$282571.60	100.0%	$282571.60
c) Supplies & Expenses	$311085.13	100.0%	$311085.13
d) Chemicals	$41760.95	100.0%	$41760.95
e) Maintenance Equipment	$39355.85	100.0%	$39355.85
TOTAL	$759597.17		$759597.17

4) BILLING & COLLECTING			
a) Meter Reading	$31732.00	0.0%	$0.00
b) Salaries	$146802.97	3.0%	$4404.09
c) Postage	$42369.29	0.0%	$0.00
d) Printing & Office Supplies	$9548.72	0.0%	$0.00
e) Recording Fees	$851.60	0.0%	$0.00
f) Telephone	$2414.48	3.0%	$72.43
g) Rent	$6000.00	3.0%	$180.00
h) Other	$44736.10	3.0%	$1342.08
TOTAL	$284455.16		$5998.61

5) ADMINISTRATION

a) Executive Salaries	$22682.59	70.0%	$15877.81
b) Other Supplies & Expenses	$106424.14	56.0%	$59597.52
c) Board Fees	$8400.00	70.0%	$5880.00
d) Special Services	$20131.30	3.0%	$603.94
e) Legal Fees	$6308.22	3.0%	$189.25
f) Regulatory Fees	$16474.21	3.0%	$494.23
g) Insurance & Bonding	$76434.00	19.0%	$14522.46
i) Workmans Compensation	$34712.91	56.0%	$19439.23
j) Social Security	$75219.62	56.0%	$42122.99
k) Retirement Contribution	$108350.23	56.0%	$60676.13
TOTAL	$475137.22		$219403.56

6) DEBT SERVICE

a) Debt Service FYE 6/30/86	$1099736.00	100.0%	$1099736.00
TOTAL EXPENSES FYE 1986	$3562463.63		$2097617.78
less 1986 INDUSTRIAL EXPENSE	$299537.00		$299537.00
	$3262926.63		$1798080.78

BILLED USAGE 1983 BILL ANALYSIS (1000 GALLONS) 2330880

RATE PER 1000 GALLONS 0.7714

LEGEND OF PERCENTS

0.5%-percent of distribution system used by Guthrie PSD
2.1%-percent of pumping system used by Guthrie PSD 1/48 = 2.1%
3.0%-cost assigned to Guthrie based on estimated customers to be served, to recover costs incurred dealing with plant matters
70.0%-percent of total cost historically assigned to plant
56.0%-percent of plant employees to total employees
19.0%-percent of capitalization assigned to plant calculated by external accountants

CHARLESTON SANITARY BOARD
BILLING AND ACCOUNTING CHARGES
ATTACHMENT B

Meter Readings	$31720.00	100%	$31720.00
Salaries	$146802.97	97%	$142398.88
Postage	$42369.29	100%	$42369.29
Printing	$9548.72	97%	$9262.26
Recording Fees	$851.60	100%	$851.60
Telephone	$2414.48	97%	$2342.05
Rent	$6000.00	97%	$5820.00
Other	$44735.10	97%	$43394.02
Executive Salaries	$22682.59	10%	$2268.26
Board Fees	$8400.00	10%	$840.00
Workmans Compensation	$34712.91	15%	$5137.51
Social Security	$75219.62	15%	$11132.50
Retirement	$108350.23	15%	$16035.83
ANNUAL COST			$313572.20

ANNUAL NUMBER OF BILLS	288000
AVERAGE COST PER BILL	$1.09
add: LOCK BOX PROCESSING	$0.09
TOTAL CHARGE PER BILL	$1.18

LEGEND OF PERCENTS

97% - Percent of total expense dealing with billing matters.
10% - Percent of total expense dealing with billing matters.
15% - Percent of office employees to total employees multiplied by the total expense.

CHARLESTON SANTITARY BOARD
MAINTENANCE CHARGE
ATTACHMENT C

LABOR CHARGE PER HOUR	$9.90

EQUIPMENT CHARGES PER HOUR

Air Compressor	$10.00
Backhoe	$15.00
Bucket Machine	$10.00
Cherry Picker	$15.00
Dozer	$15.00
Fork Lift	$10.00
High Velocity Truck	$15.00
Lawn Tractor	$10.00
Dump Truck	$15.00
3/4 Ton Pickup Truck	$10.00
Tandem Truck	$10.00

All equipment charges were based on a estimated 5 year life with 2080 work hours a year, other costs included were fuel, depreciation, insurance, and maintenance.

Labor charges include the actual cost per hour with 30% added for overhead.

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, NEW JERSEY 07016 FD 11 PC

WRD 1A-82

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RESOURCES
CHARLESTON 25305

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

WATER POLLUTION CONTROL PERMIT

Permit No. WV0023205

Issue Date: July 27, 1985

Subject: Sewage Facilities

Expiration Date: July 26, 1990

Supersedes: Permit Nos. 2004,3022,3118,3163, 3195,3509,3523,5018,5288,5545,5636 and S-5957-77; NPDES Permit No. WV0023205-Effective Date July 26, 1980

Location:

Charleston (City)	Kanawha (County)	Kanawha (Drainage Basin)

Outlet Sites:

Latitude:	38°	22'	15"	N
Longitude:	81°	40'	04"	W

To whom it may concern:

This is to certify that City of Charleston, Sanitary Board, Post Office Box 1026, Charleston, West Virginia 25324

is hereby granted a NPDES Water Pollution Control Permit to operate and maintain an existing 12.0 MGD sewage disposal system consisting of gravity sewers, necessary manholes, 45 lift stations with required force main, bar screen, comminutor, grit removal, primary clarifiers, aeration chambers, secondary clarifiers, chlorination facilities, anaerobic digesters, and all necessary appurtenances.

Also to upgrade the existing sewage collection and treatment systems to 14.0 MGD sewage disposal system in accordance with approved plans and specifications and to operate and maintain these facilities upon completion of said upgrading.

Facilities are to serve a maximum population equivalent of 140,000 in Charleston, West Virginia and surrounding areas and discharge the treated wastewater to Kanawha River (55.6 miles from its mouth).

This permit is subject to the following terms and conditions:

Department of Health Certificates of Approval Nos. 2416 and 2957.

The information submitted on and with Permit Application No. WV0023205 dated the 28th day of February 1985 and letter containing additional information dated the 15th day of May 1985 is all hereby made terms and conditions of this Permit with like effect as if all such permit application information was set forth herein, and with other conditions set forth in Sections A, B, C, D, E, F, G, and H.

(Continued on Page 1A)

SEWAGE TREATMENT FACILITIES CONSTRUCTED IN ACCORDANCE WITH:

Plans:

Date Received: 1. September 26, 1984 2. March 13, 1985
Prepared By: Dunn Engineers, Charleston, West Virginia EPA No. C-540415-09-0
Title: 1. Contract No. 2 - Pump Stations, Contract No. 3 - Pump Station Monitoring, Contract No. 4 - Administration Building and Laboratory, Contract No. 5 - Elk River Overflows 2. Contract No. 1 - Treatment Plant

Specifications and Reports:

Date Received: 1. September 26, 1984 2. March 13, 1985
Prepared By: Dunn Engineers, Charleston, West Virginia EPA No. C-540415-09-0
Title: Upgrading of Charleston Wastewater Treatment Facilities - Specifications Volume 1-Contract Documents Volume 2 Technical Specifications

Interim Summer Conditions (May 1 through October 31)

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning July 27, 1985 and lasting through midnight, start-up of new treatment facilities 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:

Effluent Characteristic	Discharge Limitations (Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Monitoring Requirements Measurement Frequency	Sample Type
Flow			12.0 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	2002	4004	20 mg/l	40 mg/l	1/Day	8 hr. composite
Total Suspended Solids	3002	6004	30 mg/l	60 mg/l	1/Day	8 hr. composite
Total Kjeldahl Nitrogen(TKN)	1801	3602	18 mg/l	36 mg/l	1/Day	8 hr. composite
Fecal Coliform			200 counts/100 ml	400 counts/100 ml	1/Day	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored daily by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Chapter 1, Section 3 of the West Virginia Administrative Regulations issued pursuant to Chapter 20, Article 5A.

Interim Winter Limits (November 1 through April 30)

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning July 27, 1985 and lasting through midnight, start-up of new treatment facilities 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:

Effluent Characteristic	Discharge Limitations (Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Monitoring Requirements Measurement Frequency	Sample Type
Flow			12.0 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	3002	6004	30 mg/l	60 mg/l	1/Day	8 hr. composite
Total Suspended Solids	3002	6004	30 mg/l	60 mg/l	1/Day	8 hr. composite
Total Kjeldahl Nitrogen(TKN)	1801	3602	18 mg/l	36 mg/l	1/Day	8 hr. composite
Fecal Coliform			200 counts/100 ml	400 counts/100 ml	1/Day	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored daily by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Chapter 1, Section 3 of the West Virginia Administrative Regulations issued pursuant to Chapter 20, Article 5A.

Final Summer Limits (May 1 through October 31)

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning start-up of new treatment facilities and lasting through midnight, July 26, 1990 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:

Effluent Characteristic	Discharge Limitations (Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Monitoring Requirements Measurement Frequency	Sample Type
Flow			14.0 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	2335	4670	20 mg/l	40 mg/l	1/Day	8 hr. composite
Total Suspended Solids	3503	7006	30 mg/l	60 mg/l	1/Day	8 hr. composite
Total Kjeldahl Nitrogen(TKN)	2102	4204	18 mg/l	36 mg/l	1/Day	8 hr. composite
Fecal Coliform			200 counts/100 ml	400 counts/100 ml	1/Day	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored daily by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Chapter 1, Section 3 of the West Virginia Administrative Regulations issued pursuant to Chapter 20, Article 5A.

Final Winter Limits (November 1 through April 30)

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning start-up of new treatment facilities and lasting through midnight, July 26, 1990 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:

Effluent Characteristic	Discharge Limitations (Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Monitoring Requirements Measurement Frequency	Sample Type
Flow			14.0 MGD		Continuous	Measured
B[illegible]hemical Oxygen Demand (5-Day)	3503	7006	30 mg/l	60 mg/l	1/Day	8 hr. composite
Total Suspended Solids	3503	7006	30 mg/l	60 mg/l	1/Day	8 hr. composite
Total Kjeldahl Nitrogen(TKN)	2102	4204	18 mg/l	36 mg/l	1/Day	8 hr. composite
Fecal Coliform			200 counts/100 ml	400 counts/100 ml	1/Day	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored daily by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Chapter 1, Section 3 of the West Virginia Administrative Regulations issued pursuant to Chapter 20, Article 5A.

Final Winter Limits (November 1 through April 30)

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning start-up of new treatment facilities and lasting through midnight, July 26, 1990 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:

Effluent Characteristic	Discharge Limitations (Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Monitoring Requirements Measurement Frequency	Sample Type
Flow			14.0 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	3503	7006	30 mg/l	60 mg/l	1/Day	8 hr. composite
Total Suspended Solids	3503	7006	30 mg/l	60 mg/l	1/Day	8 hr. composite
Total Kjeldahl Nitrogen(TKN)	2102	4204	18 mg/l	36 mg/l	1/Day	8 hr. composite
Fecal Coliform			200 counts/100 ml	400 counts/100 ml	1/Day	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored daily by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Chapter 1, Section 3 of the West Virginia Administrative Regulations issued pursuant to Chapter 20, Article 5A.

Sewer System Overflows

Point sources 004-015, 018-041 and 043-065 (listed below) serve as combined sewer reliefs necessitated by stormwater entering the sewer system and are permitted to discharge only for such reason. There are at this time no specified effluent limitations on these discharges. However, each discharge shall be monitored for cause, frequency, duration, and quantity of flow. This data shall be reported monthly as an attachment to the Discharge Monitoring Report(DMR) form. The Division of Water Resources may require a plan of action to correct such occurrences if degradation of the receiving stream(s) results.

Point Source	Location	Receiving Stream
004	Patrick Street Lift Station Overflow	Kanawha River
005	Virginia Street Lift Station Overflow	Elk River
006	Bream Street Overflow	Kanawha River
007	Florida Street Overflow	Kanawha River
008	Hunt Avenue Overflow	Kanawha River
009	Fitzgerald Street Overflow	Kanawha River
010	Lovell Drive Overflow	Kanawha River
011	Park Avenue Overflow	Kanawha River
012	Washington Street Overflow	Elk River
013	North Rand Street Overflow	Elk River
014	Spring Street Overflow	Elk River
015	Bigley Avenue Lift Station Overflow	Elk River
018	Ferry Branch Lift Station Overflow	Kanawha River
019	Capitol Street Overflow	Kanawha River
020	Broad Street Overflow	Kanawha River
021	Brooks Street Overflow	Kanawha River
022	Bradford Street Overflow	Kanawha River
023	Ruffner Avenue Overflow	Kanawha River
024	Carroll Terrace Overflow	Kanawha River
025	Greenbrier Street Overflow	Kanawha River
026	Veazy Street Overflow	Kanawha River
027	East Avenue Overflow	Kanawha River
028	Wertz Avenue Overflow	Kanawha River

Sewer System Overflows Cont.

Point Source	Location	Receiving Stream
029	27th Street Lift Station Overflow	Kanawha River
030	29th Street Overflow	Kanawha River
031	32nd Street Overflow	Kanawha River
032	35th Street Overflow	Kanawha River
033	37th Street Overflow	Kanawha River
034	42nd Street Overflow	Kanawha River
035	50th Street Overflow	Kanawha River
036	55th Street Pump Station Overflow	Kanawha River
037	Porter Hollow Lift Station Overflow	Kanawha River
038	Lucado Pump Station Overflow	Sugar Camp Creek
039	Emerald Heights Pump Station Overflow	Sugar Camp Creek
040	Angel Terrace Pump Station Overflow	Sugar Camp Creek
041	65th Street Overflow	Kanawha River
043	Danner Hollow Lift Station	Kanawha River
044	Belfast Road Lift Station	Sugar Camp Creek
045	Sherwood Forest Lift Station	Sugar Camp Creek
046	Greenbrier Street Lift Station	Branch of Elk 2-Mile
047	Rays Branch(Woodland Hghts.) Lift Station	Rays Branch
048	Morning Side Drive Lift Station	Rays Branch
049	Bedford Road Lift Station	Rays Branch
050	Coal Hollow Lift Station	Coal-Hollow
051	James Street Lift Station	Kanawha River Tributary
052	Moreland Drive Lift Station	Bakers Fork
053	Kanawha 2-Mile Lift Station	2 Mile Creek
054	Twilight Drive Lift Station	Elk River
055	25th Street(North Charleston) Lift Station	Kanawha River

Sewer System Overflows Cont.

Point Source	Location	Receiving Stream
056	26th Street(North Charleston) Lift Station	Kanawha River
057	Parkwood Road(Woodland Hghts.-1) Lift Station	Left Fork of Rays Branch
058	Parkwood Road(Woodland Hghts.-2) Lift Station	Left Fork of Rays Branch
059	Parkwood Road(Woodland Hghts.-3) Lift Station	Left Fork of Rays Branch
060	Turnpike(58th Street S.E.) Lift Station	Kanawha River
061	Troy-Mountain Road Lift Station	Kanawha River
062	Chesterfield Avenue Lift Station	Lower Donnally Branch
063	Bona Vista Lift Station	Branch of Elk 2-Mile
064	Nottingham Road Lift Station	Sugar Camp Creek
065	Lilly Street Overflow	Elk River

B. SCHEDULE OF COMPLIANCE

1. The permittee shall achieve compliance with the provisions for waste treatment and the discharge limitations specified in this permit in accordance with the following schedule:

   Effective date of permit.

2. Reports of compliance or noncompliance with, and progress reports on the interim and final requirements contained in the above compliance schedule, shall be submitted no later than 14 days following each schedule date.

N/A

C. MANAGEMENT CONDITIONS

1. Duty to Comply

   a) The permittee must comply with all conditions of this permit. Permit noncompliance constitutes a violation of the CWA and State Act and is grounds for enforcement action; for permit modification, revocation and reissuance, suspension or revocation; or for denial of a permit renewal application.

   b) The permittee shall comply with all effluent standards or prohibitions established under Section 307(a) of the CWA for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.

2. Duty to Reapply

   If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for a new permit at least 180 days prior to expiration of the permit.

3. Duty to Mitigate

   The permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this permit.

4. Permit Actions

   This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance or revocation or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

5. Property Rights

   This permit does not convey any property rights of any sort, or any exclusive privilege.

6. Signatory Requirements

   All applications, reports, or information submitted to the Chief shall be signed and certified as required in Chapter 2, Section 4.06. of the West Virginia Administrative Regulations.

7. Transfers

   This permit is not transferable to any person except after notice to the Chief. The Chief may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary.

8. Duty to Provide Information

The permittee shall furnish to the Chief, within a specified time, any information which the Chief may request to determine whether cause exists for modifying, revoking and reissuing, suspending, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the Chief, upon request, copies of records required to be kept by this permit.

9. Other Information

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Chief, it shall promptly submit such facts or information.

10. Inspection and Entry

The permittee shall allow the Chief, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

a) Enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit;

b) Have access to and copy at reasonable times, any records that must be kept under the conditions of this permit;

c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and

d) Sample or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the State Act, any substances or parameters at any location.

11. Permit Modification

This permit may be modified, suspended, or revoked in whole or in part during its terms in accordance with the provisions of Chapter 20-5A-8 of the Code of West Virginia.

An application for a modification of this permit must be submitted to this agency at least ninety (90) days prior to the proposed modification.

12. Water Quality

The effluent or effluents covered by this permit are to be of such quality so as not to cause violation of applicable water quality standards adopted by the State Water Resources Board. Further, any activities covered under this permit shall not lead to pollution of the groundwaters of the State as a result of the handling, disposal or discharge of such wastes covered herein.

13. Outlet Markers

A permanent marker at the establishment shall be posted in accordance with Chapter 3, Section 8 of the WV Administrative Regulations promulgated pursuant to Chapter 20, Article 5A.

14. Liabilities

a) Any person who violates a permit condition implementing sections 301, 302, 306, 307, 308, 318 or 405 of the Clean Water Act is subject to a civil penalty not to exceed $10,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing sections 301, 302, 306, 307, or 308 of the Clean Water Act is subject to a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than 1 year, or both.

b) Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.

c) Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.

d) Nothing in C. 14. a), b) and c) shall be construed to limit or prohibit any other authority the Chief may have under the State Water Pollution Control Act, Chapter 20, Article 5A.

D. OPERATION AND MAINTENANCE

1. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. Unless otherwise required by Federal or State law, this provision requires the operation of back-up auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of the permit. For domestic waste treatment facilities, waste treatment operators as classified by State Health Department Regulations authorized under Chapter 16, Article 1, Public Health Laws, Code of West Virginia, will be required except that in circumstances where the domestic waste treatment facility is receiving any type of industrial waste, the Chief may require a more highly skilled operator.

2. Duty to Halt or Reduce Activity

Upon reduction, loss or failure of the treatment facility the permittee shall, to the extent necessary to maintain compliance with its permit, control production or all discharges or both until the facility is restored or an alternative method of treatment is provided. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

3. Bypass

a) Definitions

(1) "Bypass"means the intentional diversion of waste streams from any portion of a treatment facility; and

(2) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

b) Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provisions of D.3. c) and D.3. d) of this permit.

c) Notice

(1) If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten (10) days before the date of the bypass;

(2) If the permittee does not know in advance of the need for a bypass, notice shall be submitted as required in F.2. b) of this permit.

d) Prohibition of bypass

(1) Bypass is permitted only under the following conditions, and the Chief may take enforcement action against a permittee for bypass, unless:

(A) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;

(B) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if the permittee could have installed adequate backup equipment to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance; and

(C) The permittee submitted notices as required under D.3. c) of this permit.

(2) The Chief may approve an anticipated bypass, after considering its adverse effects, if the Chief determines that it will meet the three conditions listed in D.3. d) (1) of this permit.

4. Upset

a) Definition. "Upset" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based permit effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.

b) Effect of an upset. An upset constitutes an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitations if the requirements of D.4. c) are met. No determination made during administrative review of claims that noncompliance was caused by upset, and before an action for noncompliance, is final administrative action subject to judicial review.

c) Conditions necessary for a demonstration of upset. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:

(1) An upset occurred and that the permittee can identify the specific cause(s) of the upset;

(2) The permitted facility was at the time being properly operated;

(3) The permittee submitted notice of the upset as required in F.2. b) of this permit.

(4) The permittee complied with any remedial measures required under C.3. of this permit.

d) Burden of proof. In any enforcement proceeding the permittee seeking to establish the occurrence of an upset has the burden of proof.

5. Removed Substances

Where removed substances are not otherwise covered by the terms and conditions of this permit or other existing permit issued by the Division of Water Resources, any solids, sludges, filter backwash or other pollutants removed in the course of treatment or control of wastewaters and which are intended for disposal within the State, shall be disposed of only in a manner and at a site subject to the approval by the Division of Water Resources. If such substances are intended for disposal outside the State or for reuse, i.e., as a material used for making another product, which in turn has another use, the permittee shall notify the Division of Water Resources in writing of the proposed disposal or use of such substances, the identity of the prospective disposer or users, the intended place of disposal or use, as appropriate, and shall take reasonable measures to insure that the use does not cause pollution of the waters of the State.

E. MONITORING AND REPORTING

1. Representative Sampling

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

2. Reporting

a) Permittee shall submit each month, according to the enclosed format, a Discharge Monitoring Report (DMR) indicating in terms of concentration, and/or quantities, the values of the constituents listed in Part A analytically determined to be in the plant effluent(s).

b) The required monthly reports should be received no later than 20 days following the end of the reporting period and be addressed to:

Section Chief (3WM53)
U. S. EPA-Region III
841 Chestnut Building
Philadelphia, Pennsylvania 19107

Chief
Division of Water Resources
1201 Greenbrier Street
Charleston, WV 25311
Attention: Municipal Waste Section

c) Enter reported average and maximum values under "Quantity" and "Concentration" in the units specified for each parameter, as appropriate.

d) Specify the number of analyzed samples that exceed the allowable permit conditions in the columns labeled "N.E." (i.e., number exceeding).

e) Specify frequency of analysis for each parameter as no. analyses/specified period (e.g. "3/month is equivalent to 3 analyses performed every calendar month). If continuous, enter "Cont.". The frequency listed on format is the minimum required.

3. Test Procedures

Samples shall be taken, preserved and analyzed in accordance with 40 CFR Part 136, unless other test procedures have been specified elsewhere in this permit.

4. Recording of Results

For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information:

a) The date, exact place, and time of sampling or measurement;

b) The date(s) analyses were performed;

c) The individual(s) who performed the sampling or measurement;

d) The individual(s) who performed the analyses; if a commercial laboratory is used, the name and address of the laboratory;

e) The analytical techniques or methods used, and

f) The results of such analyses.

This information is not to be submitted to this agency, but is to be retained as required in E.6.

5. Additional Monitoring by Permittee

If the permittee monitors any pollutant at any monitoring point specified in this permit more frequently than required by this permit, using approved test procedures or others as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the Discharge Monitoring Report Form. Such increased frequency shall also be indicated.

Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified in the permit.

6. Records Retention

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least three (3) years from the date of the sample, measurement, report or application. This period may be extended by request of the Chief at any time.

7. Definitions

a) "Daily discharge" means the discharge of a pollutant measured during a calendar day or within any specified period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the day.

b) "Average monthly discharge limitation" means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.

c) "Maximum daily discharge limitation" means the highest allowable daily discharge.

d) "Composite Sample" is a combination of individual samples obtained at regular intervals over a time period. Either the volume of each individual sample is proportional to discharge flow rates or the sampling interval (for constant volume samples) is proportional to the flow rates over the time period used to produce the composite. The maximum time period between individual samples shall be two hours.

e) "Grab Sample" is an individual sample collected in less than 15 minutes.

f) "i-s" = immersion stabilization - a calibrated device is immersed in the effluent stream until the reading is stabilized.

g) The "daily average temperature" means the arithmetic average of temperature measurements made on an hourly basis, or the mean value plot of the record of a continuous automated temperature recording instrument, either during a calendar month, or during the operating month if flows are of shorter duration.

h) The "daily maximum temperature" means the highest arithmetic average of the temperatures observed for any two (2) consecutive hours during a 24-hour day, or during the operating day if flows are of shorter duration.

i) The "daily average fecal coliform" bacteria is the geometric average of all samples collected during the month.

j) "Measured Flow" means any method of liquid volume measurement, the accuracy of which has been previously demonstrated in engineering practice, or for which a relationship to absolute volume has been obtained.

k) "Estimate" means to be based on a technical evaluation of the sources contributing to the discharge including, but not limited to pump capabilities, water meters and batch discharge volumes.

l) "Non-contact cooling water" means the water that is contained in a leak-free system, i.e. no contact with any gas, liquid, or solid other than the container for transport; the water shall have no net poundage addition of any pollutant over intake water levels.

F. OTHER REPORTING

1. Reporting Spills and Accidental Discharges

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to Chapter 3, Section 1 of the WV Administrative Regulations promulgated pursuant to Chapter 20, Article 5A.

Attached is a copy of the West Virginia Spill Alert System for use in complying with Chapter 3, Section 1 of the regulations as they pertain to the reporting of spills and accidental discharges.

2. Immediate Reporting

a) The permittee shall report any noncompliance which may endanger health or the environment immediately after becoming aware of the circumstances by using the Division's designated spill alert telephone number. A written submission shall be provided within five (5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

b) The following shall also be reported immediately:

(1) Any unanticipated bypass which exceeds any effluent limitation in the permit;

(2) Any upset which exceeds any effluent limitation in the permit; and

(3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Chief in the permit to be reported immediately. This list shall include any toxic pollutant or hazardous substance, or any pollutant specifically identified as the method to control a toxic pollutant or hazardous waste.

c) The Chief may waive the written report on a case-by-case basis if the oral report has been received in accordance with the above.

d) Compliance with the requirements of F.2. of this section, shall not relieve a person of compliance with Chapter 3, Section 1 of the Board's regulations.

3. Reporting Requirements

a) Planned changes. The permittee shall give notice to the Chief as soon as possible of any planned physical alterations or additions to the permitted facility which may affect the nature or quantity of the discharge and of any planned changes in the method of operating the facility which may affect the nature or quantity of the discharge.

b) Anticipated noncompliance. The permittee shall give advance notice to the Chief of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

c) In addition to the above reporting requirements, all existing manufacturing, commercial, mining, and silvicultural dischargers must notify the Chief in writing as soon as they know or have reason to believe:

(1) That any activity has occurred or will occur which would result in the discharge of any toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":

(A) One hundred micrograms per liter (100ug/1);

(B) Two hundred micrograms per liter (200 ug/1) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/1) for 2, 4-dinitrophenol and for 2-methyl-4, 6-dinitrophenol; and one milligram per liter (1mg/1) for antimony;

(C) Five (5) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.04 (b) (7) or 4.04 (b) (9) of Chapter 2 of the State Water Resources Board's NPDES regulations; and

(D) The level established by the Chief in accordance with Section 6 (b) (7) of Chapter 2 of the State Water Resources Board's NPDES regulations;

(2) That they have begun or expect to begin to use or manufacture as an intermediate or final product or byproduct any toxic pollutant which was not reported in the permit application under Section 4.04 (b) (9) of Chapter 2 of the State Water Resources Board's NPDES regulations;

4. Other Noncompliance

The permittee shall report all instances of noncompliance not reported under the above paragraphs at the time monitoring reports are submitted. The reports shall contain the information listed in F.2. a).

5. For any noncompliance reports required to be submitted in writing by this section, a copy shall also be forwarded to the EPA at the location specified in E. 2.b).

G. OTHER REQUIREMENTS

1) The herein-described treatment works, structures, electrical and mechanical equipment shall be adequately protected from physical damage by the maximum expected one hundred (100) year flood level and operability be maintained during the twenty-five (25) year flood level.

2) The entire sewage treatment facility shall be adequately protected by fencing.

3) Continuous maintenance and operation of the listed sewage treatment facility shall be performed by or supervised by a certified operator possessing at least a class IV 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 the following:

Parameter	7 Consecutive Day Average Concentrations	
	Summer(May 1-Oct. 31)	Winter(Nov. 1-April 30)
BOD_5	30 mg/l	45 mg/l
TSS	45 mg/l	45 mg/l
TKN	27 mg/l	27 mg/l

6) The arithmetic means of the effluent values of the BOD_5 and TSS discharged during a period of 30 consecutive days shall not exceed 15 percent of respective arithmetic means of the influent values for these parameters during the same time period except as specifically authorized by the permitting authority.

7) The upgrading of the sewage collection and treatment systems shall be completed in accordance with the schedule approved by the Construction Grants Branch of this Division.

8) Outlets No. 014, 015, 054 and 065 which discharge combined sewage and storm-water above the West Virginia Water Company intake on Elk River shall be eliminated in accordance with the approved plans and specifications referenced herein.

H. PRETREATMENT REQUIREMENTS

1) The permittee is responsible for enforcing any National Pretreatment Standards (40 CFR 403.5 and 403.6) in accordance with Sections 307(b) and (c) of the Federal Clean Water Act. The permittee shall enforce the specific limits established in the program submission to satisfy the provisions of 40 CFR 403.5(a) and (b) as required by 40 CFR 403.5(c). These locally established limits shall be defined as National Pretreatment Standards.

2) The permittee shall implement the Industrial Pretreatment Program in accordance with the legal authorities, policies, procedures, and financial provisions described in the program submission dated November 1983 and revised March 1985.

3) The permittee shall implement the program in accordance with the requirements of Section 402(b) (8) of the Clean Water Act and in accordance with the General Pretreatment Regulations (40 CFR 403).

4) The permittee shall maintain adequate funding levels to accomplish the objectives of the program.

5) The permittee shall provide the State of West Virginia and the U. S. EPA with an annual report that briefly describes program activities of the previous twelve (12) months. The report shall be submitted no later than May 1 of each year and shall include the following information.

   a) An updated list of the permittee's industrial users and a description of deletions and additions to the previous year's list.

   b) A summary of compliance/enforcement activities including the number of enforcement actions and the number and percent of industrial users in compliance with Baseline Monitoring Report Requirements, Categorical Pretreatment Standards and locally developed limits.

   c) A summary of new and/or increased contributions to the POTW, including the number of proposals, the number of discharges conditionally accepted and the number of denials.

   d) A summary of compliance sampling at the significant industrial users and a narrative description of the consistency of results with the results of the industrial users' self-monitoring reports.

   e) A summary of analytical results from sampling of the sewage treatment plant influent, effluent, and sludge for the pollutant parameters regulated by Section 2(d) of the proposed Charleston Industrial Use Ordinance.

   f) A narrative description of the effectiveness of the program in controlling industrial waste and a description and explanation of any proposed substantive changes to the program.

6) The State of West Virginia and the U. S. EPA have the right to inspect or copy records and initiate enforcement actions against any industrial user or the permittee as provided in Sections 308 and 309 of the Federal Clean Water Act.

7) The State of West Virginia and the U. S. EPA retain the right to require the permittee to institute changes to the pretreatment program if:

   a) The requirements of 40 CFR 403 are not satisfied by program implementation.

   b) Problems such as interference, pass through, or sludge contamination develop.

   c) Federal or State requirements change.

8) On or before August 1, 1985 the permittee shall perform the following sampling and analyses and report results to the West Virginia Department of Natural Resources, Division of Water Resources:

   a) A flow proportioned 12-hour composite sample of the plant effluent for all 129 priority pollutants.

   b) A flow proportioned composite sample of the plant influent for all 129 priority pollutants.

   c) An E. P. Toxicity test as described in Appendix II of 40 CFR 261 on a grab sample of the plant's digested dewatered sludge.

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. WV0023205, dated the 28th day of February, 19 85, submitted with Application for Reissuance No. N/A dated the _____ day of _____, 19 _____; 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 State Water Resources Board.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0023205, dated the 28th day of February, 19 85, with the information submitted with Application for Reissuance No. N/A, dated the _____ day of _____, 19 _____, and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and for the invocation of all the enforcement procedures set forth in Article 5A, Chapter 20 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Article 5A, Chapter 20 of the Code of West Virginia and is transferable under the terms of Section 7 of said article.

By: D W Robinson
Chief

DWR:MAW:mla

3/28/90 fax: Samme Gee
Walter Will

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RESOURCES
1201 Greenbrier Street
Charleston, West Virginia 25311

GASTON CAPERTON
Governor

J. EDWARD HAMRICK III
Director

LARRY W. GEORGE
Deputy Director

March 28, 1990

Mr. Erick L. Haynes, Chairman
Guthrie Public Service District
P. O. Box 10116
Charleston, WV 25357

Re: WV/NPDES Permit Application No. WV0084239

Dear Mr. Haynes:

This is to confirm that we have reviewed the referenced application along with other pertinent information and have found the material to be complete and acceptable for the preparation of a draft WV/NPDES Water Pollution Control Permit. The project will be comprised of the construction and installation of a sanitary wastewater collection system to convey wastewater to the City of Charleston wastewater treatment plant for subsequent treatment and discharge.

The public notice period as prescribed in Title 46, Series 2, Section 12.1.b of the West Virginia Legislative Rules issued pursuant to Chapter 20, Article 5A of the West Virginia Code will commence soon. The WV/NPDES Water Pollution Control Permit would be issued thereafter, provided no adverse public comments are received on the project.

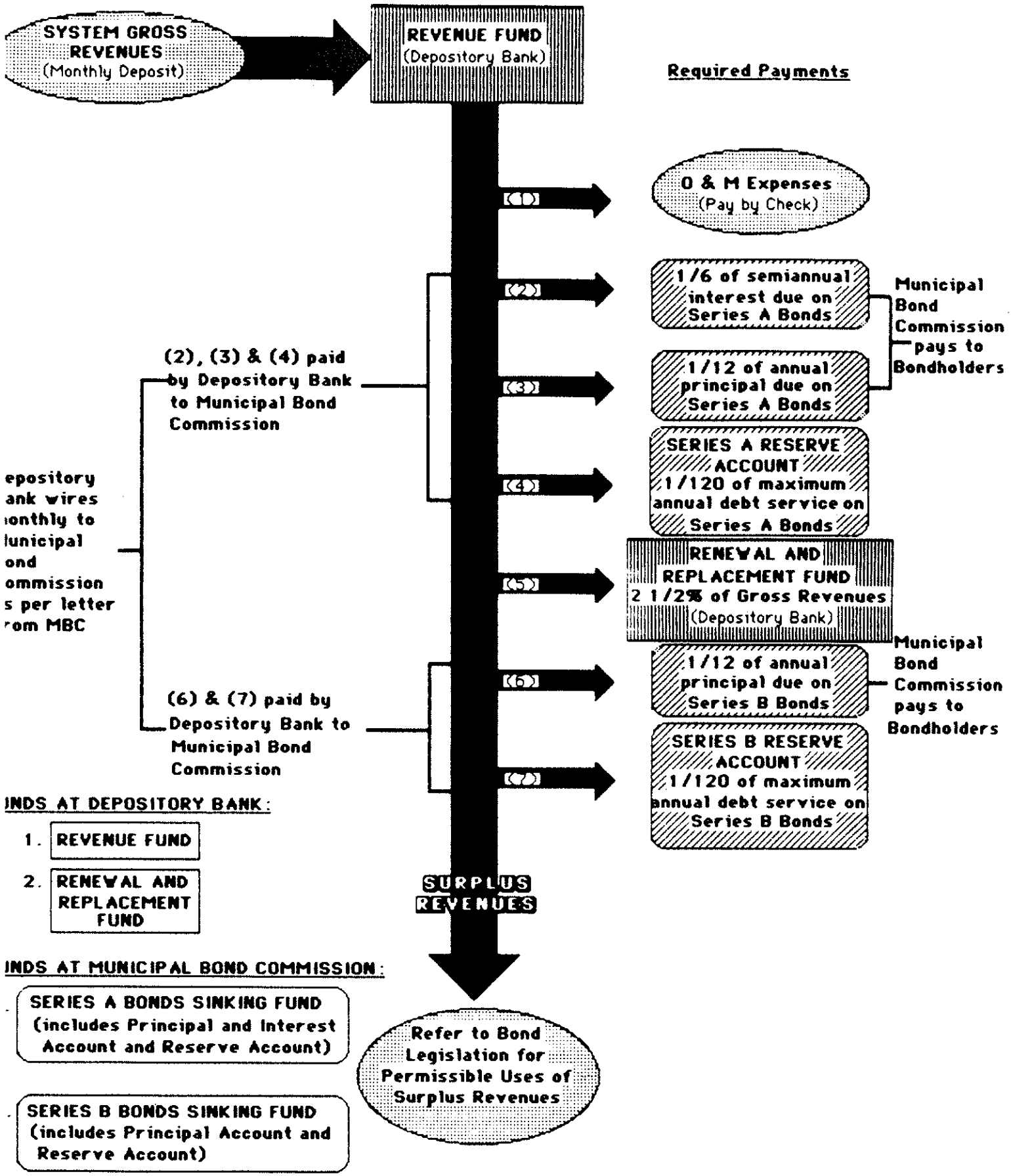
If you have any questions, please do not hesitate to contact John Morgan at 348-4086.

Sincerely,

Laidley Eli McCoy, Ph. D.
Chief

mll

cc: Don Hill, District Supervisor
Dave Cunningham, District Inspector

34B

FLOW OF FUNDS SCHEMATIC DIAGRAM - SYSTEM REVENUES