CITY OF CLARKSBURG
WATER REFUNDING REVENUE BONDS, SERIES 2013 A
(TAX-EXEMPT)

BOND TRANSCRIPT

Date of Closing: April 26, 2013

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CITY OF CLARKSBURG
(WEST VIRGINIA)

WATER REFUNDING REVENUE BONDS, SERIES 2013 A

CONFORMED BOND ORDINANCE

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CITY OF CLARKSBURG
(WEST VIRGINIA)

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the City of Clarksburg (the "Issuer" or the "City") presently owns and operates, through the Clarksburg Water Board (the "Board"), a waterworks system (the "System") and has heretofore financed the acquisition and construction of the System and certain additions, betterments and improvements thereto through the issuance of several series of bonds or refunding bonds, of which there are presently outstanding the Prior Bonds, as hereinafter defined;

WHEREAS, all of the Prior Bonds were issued pursuant to ordinances of the Issuer previously enacted (such ordinances, as so amended and supplemented, collectively herein called the "Prior Ordinances");

WHEREAS, under the provisions of Chapter 8, Article 19 of the Code of West Virginia, 1931, as amended (the "Bond Act"), the Issuer is authorized and empowered to acquire, construct and operate additions, betterments and improvements to the System and issue

revenue bonds to pay all or a portion of the costs thereof, and, under the provisions of Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (the "Refunding Act"), the Issuer is authorized to issue refunding revenue bonds for the purpose of refunding, paying or discharging all or any part of its outstanding revenue bonds, including interest thereon;

WHEREAS, the Issuer has determined and hereby determines that present value debt service savings would result from the Issuer's current refunding and redemption in full of its outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds");

WHEREAS, the Issuer has determined that it is in the best interests of the inhabitants of the City of Clarksburg and other users of the System to currently refund its outstanding Series 2002 Bonds;

WHEREAS, the Issuer has determined that the aforementioned refunding of the Series 2002 Bonds should be financed with the proceeds from the issuance of the Issuer's Water Refunding Revenue Bonds, Series 2013 A, in the original aggregate principal amount of not more than $10,000,000 (the "Series 2013 A Bonds"), such Series 2013 A Bonds to be secured by and payable from the Gross Revenues (as hereinafter defined) of the System on a parity with respect to the pledge of Gross Revenues in favor of the Prior Bonds (as hereinafter defined); and

WHEREAS, the Issuer has determined and hereby determines that it is in the best interests of the residents of the City that its Series 2013 A Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser.

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

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

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

"Act" means collectively, the Bond Act and the Refunding Act as herein defined.

"Authorized Newspaper" means a financial journal or newspaper of general circulation in the City of New York, New York, printed in the English language and customarily published on each business day of the Registrar, whether or not published on Saturdays, Sundays or legal holidays, and so long as so published, shall include The Bond Buyer.

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

"Board" means the Clarksburg Water Board existing under Section 25 of the charter of the City of Clarksburg and having powers and duties as set forth in Section 27 of such charter.

"Bond Act" means Chapter 8, Article 19 of the Code of West Virginia, 1931, as amended and in effect on the date of delivery of the Series 2013 A Bonds.

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on any of the Bonds.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the Issuer and the Original Purchaser relating to the sale and purchase of the Series 2013 A Bonds.

"Bond Register" means the books of the Issuer maintained by the Registrar for the registration and transfer of Bonds.

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

"Bonds" means, collectively, the Series 2013 A Bonds, the Prior Bonds and any additional Parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 2013 A Bonds, substantially in the form set forth in EXHIBIT A - FORM OF SERIES 2013 A BOND, attached hereto.

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

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

"Closing Date" means the date upon which there is an exchange of the Series 2013 A Bonds for the proceeds representing the original purchase price thereof.

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

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

"Continuing Disclosure Agreement" means the agreement delivered by the Issuer to disseminate annual financial information and material event disclosures as required by Rule 15c2-12.

"Costs" or "Costs of the Refunding" or similar terms means all those costs now or hereafter permitted by the Act to be financed with bonds issued pursuant hereto, including, without limitation, those costs described in Section 1.03E.

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

"Debt Service," with reference to a specified period, means the amount of principal, including any sinking fund payments, and interest payable with respect to the Bonds during such period.

"Depository Bank" means the bank or banks to be designated as such in the Supplemental Resolution, and any other bank or national banking association located in the State of West Virginia, eligible under the laws of the State of West Virginia to receive deposits of state and municipal funds and insured by the FDIC that may hereafter be appointed by the Issuer as Depository Bank.

"DTC" means The Depository Trust Company, New York, New York or its successor.

"DTC-eligible Bonds" means, with respect to the Series 2013 A Bonds, meeting the qualifications prescribed by DTC.

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

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

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

"Governing Body" means the Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the Council, as it may now or hereafter be constituted.

"Government Obligations" means certificates or interest-bearing notes or obligations of the United States, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

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

"Independent Accountants" means the West Virginia State Tax Department or any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any purpose except keeping the accounts of said System in the normal operations of its business and affairs.

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

"Issuer" or "City" means the City of Clarksburg, a municipal corporation and political subdivision of the State of West Virginia, in Harrison County thereof, and, unless the context clearly indicates otherwise, includes the Governing Body and any other commission, board or department established by the Issuer to operate and maintain the System, including the Board.

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Bonds for the then current or any succeeding Fiscal Year, assuming that the principal of any Term Bonds is deemed due on the earlier of their stated maturity date or the date on which they are required to be redeemed pursuant to mandatory sinking fund redemption.

"Mayor" means the Mayor of the Issuer.

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

the Series 2013 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from investment of proceeds of the Series 2013 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds of the Series 2013 A Bonds and is not acquired in order to carry out the governmental purpose of the Series 2013 A Bonds.

"Official Statement" means a document or set of documents prepared by an issuer of municipal securities or its representatives setting forth, among other matters, information concerning the Issuer of such municipal securities and the proposed issue of securities that is complete as of the date of delivery of the document or set of documents to the Original Purchaser.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, 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.

"Operation and Maintenance Fund" means the Operation and Maintenance Fund continued pursuant to Section 4.01 hereof.

"Ordinance" regardless of whether preceded by the article "the" or "this," means this Ordinance, as it may hereafter from time to time be amended or supplemented, by ordinance or by resolution.

"Original Purchaser" means the investment banking firm or firms, bank or banks or such other entity or entities as shall purchase the Series 2013 A Bonds directly from the Issuer, as determined by the Supplemental Resolution, and shall initially mean Crews & Associates, Inc., Morgantown, West Virginia.

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

Bondholders or Bonds respectively, for the purpose of consents, notices and the like, any Bond registered to the Issuer. Notwithstanding the foregoing, in the event that a Bond Insurer has paid principal of and/or interest on any Bond, such Bond shall be deemed to be Outstanding until such time as such Bond Insurer has been reimbursed in full.

"Paying Agent" means the Bond Commission and any other paying agent for the Bonds which may be appointed by a resolution supplemental hereto, all in accordance with Section 8.12 hereof.

"Prepayment Agreement" means the agreement to be entered into between the Issuer, the Board and the Bond Commission, providing for the defeasance and ultimate payment of the Series 2002 Bonds and other matters in connection therewith.

"Prior Bonds" means, collectively, the Series 2001 A Bonds and the Series 2004 A Bonds after the defeasance of the Series 2002 Bonds.

"Prior Ordinances" means, collectively, the ordinances of the Issuer, authorizing the issuance of the Prior Bonds and the Series 2002 Bonds.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

"Purchase Price," for the purpose of computation of the Yield of the Series 2013 A Bonds, has the same meaning as the term "issue price" in Sections 1273(b) and 1274 of the Code, and, in general, means the initial offering price of the Series 2013 A Bonds to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds of each maturity is sold or, if the Series 2013 A Bonds are privately placed, the price paid by the first buyer of the Series 2013 A Bonds or the acquisition cost of the first buyer. "Purchase Price," for purposes of computing Yield of Nonpurpose Investments, means the fair market value of the Nonpurpose Investments on the date of use of Gross Proceeds of the Series 2013 A Bonds for acquisition thereof, or if later, on the date that Investment Property constituting a Nonpurpose Investment becomes a Nonpurpose Investment of the Series 2013 A Bonds.

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

(a) Government Obligations;

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

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

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

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

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

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

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

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

"Rebate Fund" means the Rebate Fund described in Section 4.01 hereof.

"Record Date" means the day of the month which shall be so stated in the Series 2013 A Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

"Redemption Date" means the date fixed for redemption of Bonds subject to redemption in any notice of redemption published or mailed in accordance herewith.

"Redemption Price" means the price at which the Bonds may be called for redemption and includes the principal amount of the Bonds to be redeemed, plus the premium, if any, required to be paid to effect such redemption.

"Refunding Act" means Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended and in effect on the date of delivery of the Series 2013 A Bonds.

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

"Registrar" means the bank to be designated in the Supplemental Resolution as the registrar for the Series 2013 A Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1986 as amended.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinances and continued by Section 4.02 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts created for the Series 2013 A Bonds and the Prior Bonds.

"Reserve Account Requirement" means, collectively, the respective amount required to be on deposit in the respective Reserve Accounts for the Series 2013 A Bonds and the Prior Bonds.

"Revenue Fund" means the Revenue Fund established by the Prior Ordinances and continued hereby.

"Rule 15c2-12" means Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

"Series 2001 A Bonds" means the Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850.

"Series 2002 Bonds" means the Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000.

"Series 2002 Ordinance" means the Bond Ordinances authorizing the Series 2002 Bonds.

"Series 2002 Bonds Prepayment Fund" means the Series 2002 Bonds Prepayment Fund established pursuant to the Prepayment Agreement.

"Series 2004 A Bonds" means the Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764.

"Series 2013 A Bonds" means the Water Refunding Revenue Bonds, Series 2013 A, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2013 A Bonds Costs of Issuance Fund" means the Costs of Issuance Fund created by Section 4.01 hereof.

"Series 2013 A Bonds Redemption Account" means the Series 2013 A Bonds Redemption Account established in the Series 2013 A Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2013 A Bonds Reserve Account" means the Series 2013 A Bonds Reserve Account established in the Series 2013 A Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2013 A Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2013 A Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2013 A Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2013 A Bonds.

"Series 2013 A Bonds Sinking Fund" means the Series 2013 A Bonds Sinking Fund established by Section 4.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds created for the Series 2013 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution or Resolutions to be adopted by the Issuer following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates, redemption provisions, Original Purchaser, Bond Purchase Agreement, Bond Insurer provisions (if any) and other terms of the Series 2013 A Bonds and authorizing the sale of the Series 2013 A Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues not required by the Ordinance 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 funds and accounts established for the Prior Bonds or the Series 2013 A Bonds.

"System" means the complete public waterworks system of the Issuer, presently existing in its entirety or any integral part thereof, and any further additions, extensions and improvements thereto hereafter constructed or acquired for the System from any sources whatsoever.

"Term Bonds" means Series 2013 A Bonds subject to mandatory sinking fund redemption, as described by Section 3.06 hereof.

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

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

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

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

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

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

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

B. The Issuer now owns and operates through the Board a public waterworks System, the construction, extension and improvements of which it has financed or refinanced pursuant to the issuance of the Prior Bonds and Series 2002 Bonds.

C. The Issuer has determined that present value debt service savings will result from the current refunding of its Outstanding Series 2002 Bonds, and that it is in the best interest of the residents of the Issuer and other users of the System to currently refund such Series 2002 Bonds.

D. It is deemed necessary for the Issuer to issue its Water Refunding Revenue Bonds, Series 2013 A, in the original aggregate principal amount of not more than $10,000,000, in order to repay in full the remaining principal balance of and all accrued interest on the Issuer's Series 2002 Bonds. The proceeds of the Series 2013 A Bonds may also be applied to funding the Series 2013 A Bonds Reserve Account and the payment of underwriter's discount; legal expenses; expenses for estimates of costs and revenues; administrative expense; commitment fees; premiums for municipal bond insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of registrar's, Paying Agents, depositories or trustees or other costs in connection with the sale of the Series 2013 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall also be permitted.

E. It is in the best interest of the Issuer that the Series 2013 A Bonds be sold to the Original Purchaser pursuant to the terms and provisions of a Bond Purchase Agreement to be entered into by and between the Issuer and the Original Purchaser, as shall be approved by the Supplemental Resolution of the Issuer.

F. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2013 A Bonds as to liens, pledge, source of and security for payment, as follows: (1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850 (the "Series 2001 A Bonds"); and (2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764 (the "Series 2004 A Bonds") (collectively, referred to herein as the "Prior Bonds").

The Series 2013 A Bonds shall be issued on a parity with one another and with the Prior Bonds, all of which shall have a first lien position with respect to pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2013 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Series 2001 A Bonds and Series 2004 A Bonds are met; and

(ii) the written consent of the Registered Owners of the Series 2001 A Bonds and Series 2004 A Bonds to the issuance of the Series 2013 A Bonds on a parity with such Bonds.

Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by the Gross Revenues of the System.

G. The Issuer derives revenues from the System which are pledged for payment of the Prior Bonds. Except for such pledge thereof to secure and pay the Prior Bonds and Series 2002 Bonds, said revenues are not pledged or encumbered in any manner. The Issuer intends to issue the Series 2013 A Bonds and to pledge for payment thereof, the Gross Revenues of the System. Upon issuance of the Series 2013 A Bonds, the Series 2013 A Bonds will be secured by a first lien on the Gross Revenues of the System, on a parity with the Prior Bonds.

H. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, to provide for repair, maintenance and operation of the System, the payment of interest on the Series 2013 A Bonds and the Prior Bonds, and to create sinking funds, as hereinafter provided, to pay the principal on the Series 2013 A Bonds and the Prior Bonds as and when it becomes due and reasonable reserves therefore, to provide an adequate renewal and replacement fund, as hereinafter provided, and to make all other payments provided for in this Ordinance and the Prior Ordinances.

I. It is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 2013 A Bonds, and secure the Series 2013 A Bonds by a pledge and assignment of the Gross Revenues derived from the operation of the System, the monies in the Series 2013 A Bonds Reserve Account, unexpended proceeds of the Series 2013 A Bonds and as further set forth herein.

J. The Series 2013 A Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A – FORM OF SERIES 2013 A BOND, 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 Issuer.

K. All things necessary to make the Series 2013 A Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer 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 Series 2013 A Bonds will be timely done and duly performed.

L. The enactment of this Ordinance, and the execution and issuance of the Series 2013 A Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

M. The Issuer has complied with all requirements of West Virginia law relating to the operation of the System, the issuance of the Series 2013 A Bonds and the refunding of the Series 2002 Bonds, or will have so complied prior to issuance of any thereof.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Series 2013 A Bonds by those who shall own or hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Registered Owners of any and all of such Series 2013 A Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Series 2013 A Bond and any other Series 2013 A Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDING

Section 2.01. Authorization of Refunding. All Series 2002 Bonds Outstanding as of the date of issuance of the Series 2013 A Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Gross Revenues in favor of the Registered Owners of the Series 2002 Bonds imposed by the Prior Ordinances authorizing the issuance of the Series 2002 Bonds, the monies in the funds and accounts created by the Prior Ordinances pledged to payment of the Series 2002 Bonds, and any other funds pledged by the Prior Ordinances to payment of the Series 2002 Bonds are hereby ordered terminated, discharged and released upon payment into the Series 2002 Bonds Prepayment Fund from the proceeds of the Series 2013 A Bonds, together with other moneys available therefore, of the following: (a) if required by the Prepayment Agreement, an amount equal to the fiscal and paying agent charges and the escrow trustee charges to become due and payable in connection with the Series 2002 Bonds or Series 2013 A Bonds and (b) an amount which will be either held uninvested in a deposit account or simultaneously invested as provided in the Prepayment Agreement, including but not limited to investments in Government Obligations bearing interest and having maturities sufficient, together with certain cash which may also be deposited, to provide for the payment of principal of and interest on such Series 2002 Bonds as the same become due, to the first date upon which the entire aggregate amount of the Series 2002 Bonds are to be redeemed, all as set forth in the Prepayment Agreement. Contemporaneously with the deposit of such Series 2002 Bonds proceeds into the Series 2002 Bonds Prepayment Fund, the amounts on deposit in the sinking fund, including the reserve account therein, and all other funds and accounts created and maintained on behalf of the Series 2002 Bonds, shall be deposited in the Series 2002 Bonds Prepayment Fund or such other fund or account as shall be set forth in the Prepayment Agreement and disposed of as provided in the Prepayment Agreement.

ARTICLE III
THE BONDS

Section 3.01. Form and Payment of Bonds. No Series 2013 A Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Series 2013 A Bonds issued pursuant to this Ordinance may be issued only as fully registered Series 2013 A Bonds without coupons, in the denomination of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in a Supplemental Resolution). All Series 2013 A Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. All Series 2013 A Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 A Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 A Bonds shall be in default, Series 2013 A Bonds issued in exchange for Series 2013 A Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 A Bonds surrendered.

The principal of and the premium, if any, on the Series 2013 A Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Series 2013 A Bonds shall be paid by check or draft made payable and mailed to the Registered Owner thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $1,000,000 or more of the Series 2013 A Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Series 2013 A Bond is redeemed in part, such bond shall be surrendered to and canceled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Registered Owner thereof, another Series 2013 A Bond in the principal amount of said Series 2013 A Bond then Outstanding.

Section 3.02. Execution of Bonds. The Series 2013 A Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, by his or her manual or facsimile signatures, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Series 2013 A 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 Series 2013 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Series 2013 A 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 EXHIBIT A - FORM OF SERIES 2013 A BOND attached hereto and incorporated herein by reference with respect to such respective Series 2013 A Bond, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Series 2013 A Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Series 2013 A Bond shall be deemed to have been executed by the Registrar if 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 Series 2013 A Bonds issued hereunder.

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer set forth below, the Series 2013 A Bonds shall be, and have all of the qualities and incidents of, negotiable instruments under the Uniform Commercial Code of the State, and each successive Registered Owner, in accepting any of said Series 2013 A Bonds, shall be conclusively deemed to have agreed that such Series 2013 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder shall further be conclusively deemed to have agreed that said Series 2013 A Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2013 A Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Series 2013 A Bonds. The Series 2013 A Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Series 2013 A Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Series 2013 A Bonds may at the option of the Holder thereof be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Series 2013 A Bond is exercised, Series 2013 A Bonds shall be delivered in accordance with the provisions of this Ordinance. All Series 2013 A Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Series 2013 A Bonds, the initial exchange of Series 2013 A Bonds and exchanges of such Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Series 2013 A Bonds, the Registrar

may impose a service charge. For every such transfer or exchange of such Bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2013 A Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2013 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Bond so destroyed, stolen or lost, and upon the Registered Owner furnishing the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Registered Owner listed in the Bond Register shall constitute proof of ownership. All Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer, by and through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender thereof.

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

Section 3.06. Term Bonds. In the event Term Bonds are issued as part of the Series 2013 A Bonds issued pursuant to this Ordinance, the following provisions shall apply:

A. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Series 2013 A Bonds Redemption Account in accordance with Subsection 4.03(A)(2) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 13 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory redemption date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

B. At its option, to be exercised on or before the 60th day next preceding any such mandatory redemption date, the Issuer may (a) deliver to the Registrar for cancellation such Term Bonds in any aggregate principal amount desired or (b) receive a credit in respect of its

mandatory redemption obligation for any such Term Bonds which prior to said date have been redeemed (otherwise than pursuant to this section) and canceled by the Registrar and not theretofore applied as a credit against any such mandatory redemption obligation. Each Term Bond so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and Term Bonds delivered in excess of such mandatory redemption obligation shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

C. The Issuer shall on or before the 60th day next preceding each mandatory redemption date furnish the Registrar and the Bond Commission with its certificate indicating whether and to what extent the provisions of (a) and (b) of the preceding paragraph are to be utilized with respect to such mandatory redemption payment and stating, in the case of the credit provided for in (b) of the preceding paragraph, that such credit has not theretofore been applied against any mandatory redemption obligation.

D. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the moneys in the Series 2013 A Bonds Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

E. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the redemption date (interest to be paid from the Sinking Fund), as will exhaust as nearly as practicable such Series 2013 A Bonds Redemption Account payment designated to be made in accordance with paragraph (A) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory redemption date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Registered Owner of the Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the applicable Bond Insurer, if any, the Original Purchaser, and the Registered Owner of the Series 2013 A Bond or Bonds, as applicable, to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state:

(1) The Redemption Date,

(2) The Redemption Price,

(3) If less than all outstanding Series 2013 A Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(4) That on the Redemption Date the Redemption Price and interest accrued will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) The place where such Bonds are to be surrendered for payment of the Redemption Price, which place of payment shall be the principal office of the Registrar, and

(6) Such other information, if any, as shall be required for DTC-eligible Bonds.

Prior to any redemption date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Series 2013 A Bonds or portions of such Bonds which are to be redeemed on that date. If such funds are not so deposited such redemption will not occur and such will not constitute a default on the Series 2013 A Bonds.

Official notice of redemption having been given as aforesaid, the Series 2013 A Bonds or portions of such Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Series 2013 A Bonds or portions of such Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Series 2013 A Bonds, and failure to mail such notice shall not affect the validity of proceedings for the redemption of any portion of Bonds for which there was no such failure.

Section 3.08. Persons Treated as Owners. The Issuer, the Registrar and any agent of the Issuer or the Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of the principal of, and interest on,

such Bond and (except as provided in Section 6.18) for all other purposes, whether or not such Bond is overdue.

Section 3.09. Temporary Bonds. Until Bonds of any series in definitive form are ready for delivery, the Issuer may execute and the Registrar shall authenticate, register, if applicable, and deliver, subject to the same provisions, limitations and conditions set forth in this Article III, one or more printed, lithographed or typewritten Bonds in temporary form, substantially in the form of the definitive Bonds of such series, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the lien and benefit created under this Ordinance. Upon the presentation and surrender of any Bond in temporary form, the Issuer shall, without unreasonable delay, prepare, execute and deliver to the Registrar, and the Registrar shall authenticate, register, if applicable, and deliver, in exchange therefore, a Bond or Bonds in definitive form. Such exchange shall be made by the Registrar without making any charge therefore to the Holder of such Bond in temporary form.

Section 3.10. Authorization of Bonds. For the purposes of paying in full the entire outstanding principal of and all accrued interest on the Series 2002 Bonds, funding the Series 2013 A Bonds Reserve Account and paying costs of issuance of the Series 2013 A Bonds and related costs, there shall be issued the Series 2013 A Bonds of the Issuer, in an aggregate principal amount of not more than $10,000,000. The Series 2013 A Bonds shall be designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" and shall be issued in fully registered form, in denominations of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in the Supplemental Resolution), not exceeding the aggregate principal amount of Series 2013 A Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 2013 A Bonds shall be numbered from AR-1 consecutively upward. The Series 2013 A Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Series 2013 A Bonds. The Series 2013 A Bonds (if purchased by the Original Purchaser) shall initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2013 A Bonds of each maturity, and shall be registered in the name of Cede & Co., as nominee of DTC. Notwithstanding anything herein to the contrary contained, so long as the Series 2013 A Bonds are Outstanding and registered with DTC, DTC (or its nominee) shall be treated as the sole Registered Owner for all purposes hereunder. Each Bond shall bear a legend substantially to the following effect "Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this certificate is presented by an authorized representative of DTC, to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede

& Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein."

With respect to Series 2013 A Bonds registered in the records of the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent shall have no responsibility or obligation to any other participant in DTC or to any Person on behalf of whom such a participant in DTC holds a beneficial interest in the Series 2013 A Bonds. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any other participant in DTC with respect to any beneficial ownership interest in any Bond, (ii) the delivery to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any notice with respect to any Series 2013 A Bonds, including without limitation any notice of redemption, tender, purchase or any event which would or could give rise to a tender or purchase right or option with respect to any Bond, (iii) the payment to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any amount with respect to principal of, premium, if any, or interest on, any Bond, or (iv) any consent given by DTC as Registered Owner. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent shall be entitled to treat and consider the Person in whose name each Bond is registered in the records of the Registrar as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption, sale, purchase or any event which would or could give rise to a sale or purchase right or option with respect to any Bond for the purpose of making payment of any purchase price of such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Issuer and Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2013 A Bonds and the purchase price of any Bond only to or upon the order of the respective Registered Owners, as shown in the records of the Registrar as provided in this Ordinance, or their respective attorneys or legal representatives duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2013 A Bonds to the extent of the sum or sums so paid. No Person other than a Registered Owner, as shown in the records of the Registrar, shall receive a Bond certificate evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to this Ordinance.

The Registered Owners have no right to a depository for the Series 2013 A Bonds. The Issuer may remove DTC or any successor thereto for any reason at any time. In such event or in the event DTC shall notify the Issuer that DTC is discontinuing its book-entry system for the Series 2013 A Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bond certificates to such successor securities depository or (ii) notify DTC of the availability through the DTC of Bond certificates and transfer one or more separate Bond certificates to other participants or beneficial owners as DTC may direct. In such event, the Series 2013 A Bonds

shall no longer be restricted to being registered in the records of the Registrar in the name of Cede & Co., as nominee, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names other participants in DTC receiving Series 2013 A Bonds shall designate, in accordance with the provisions of this Ordinance. The provisions of this Section applicable to DTC shall apply, mutatis mutandis, to any successor depository performing the same functions hereunder as DTC.

The Issuer represents hereby that it has executed a Letter of Representations, the terms of which are applicable to the issuance of the Series 2013 A Bonds hereunder. Such Letter of Representations is for the purpose of effectuating the Book-Entry Only System only and shall not be deemed to amend, supersede or supplement the terms of this Ordinance which are intended to be complete without reference to the Letter of Representations. In the event of any conflict between the terms of the Letter of Representations and the terms of this Ordinance, the terms of this Ordinance shall control. DTC may exercise the rights of a Registered Owner hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

Section 3.12. Delivery of Series 2013 A Bonds. The Issuer shall execute and deliver the Series 2013 A Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2013 A Bonds to the Original Purchaser upon receipt of the documents set forth below:

(1) If not registered in the name of DTC or its nominee, a list of the names in which the Series 2013 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(2) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 A Bonds to DTC for the benefit of the Original Purchaser;

(3) Copies of this Ordinance and the Supplemental Resolution certified by the City Clerk;

(4) The unqualified approving opinion of Bond Counsel regarding the Series 2013 A Bonds; and

(5) A copy of such other documents and certificates as the Original Purchaser may reasonably require.

Section 3.13. Form of Series 2013 A Bonds. The definitive Series 2013 A Bonds shall be in substantially the form set forth in EXHIBIT A – FORM OF SERIES 2013 A BOND attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2013 A Bonds on behalf of the Issuer and execution thereof by such officers shall

constitute conclusive evidence of such approval, and the definitive Series 2013 A Bonds shall have the form of the opinion of Steptoe & Johnson PLLC, as Bond Counsel, attached thereto.

Section 3.14. Sale of Series 2013 A Bonds; Approval and Ratification of Execution of Bond Purchase Agreement with Original Purchaser. The Series 2013 A Bonds shall be sold to the Original Purchaser pursuant to the terms and conditions of the Bond Purchase Agreement. If not so authorized by previous ordinance, the Mayor is specifically authorized and directed to execute the said Bond Purchase Agreement in such form as may be approved by the Supplemental Resolution, and the Clerk is directed to affix the seal of the Issuer, attest the same and deliver the said Bond Purchase Agreement to the Original Purchaser.

Section 3.15. Disposition of Proceeds of Series 2013 A Bonds. Upon the issuance and delivery of the Series 2013 A Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

1. All interest accrued on Series 2013 A Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2013 A Bonds Sinking Fund and applied to payment of interest on the Series 2013 A Bonds at the first interest payment date.

2. An amount of the proceeds of the Series 2013 A Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2013 A Bonds Reserve Account.

3. An amount of the proceeds of the Series 2013 A Bonds, which together with certain funds on deposit with the Bond Commission for the Series 2002 Bonds, shall equal the entire outstanding principal of, prepayment premium and all accrued interest on the Series 2002 Bonds to the redemption date thereof as set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2002 Bonds Prepayment Fund pursuant to the Prepayment Agreement in order to pay the Series 2002 Bonds in full, together with the prepayment premium thereon on the redemption date thereof.

4. An amount of Series 2013 A Bond proceeds which, together with other monies or securities deposited therein, shall be equal to the Costs of Issuance of the Series 2013 A Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2013 A Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2013 A Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2013 A Bonds Sinking Fund established in Section 4.02 hereof and applied to the next ensuing payment of interest on the Series 2013 A Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 A Bonds from which such proceeds are derived.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article IV, the following special funds are created with (or continued if previously established by the Prior Ordinances), and shall be held by, the Depository Bank, segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other and used solely for the purposes provided herein:

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

(2) Renewal and Replacement Fund (established by the Prior Ordinances as Depreciation Fund and hereby renamed and continued);

(3) Operation and Maintenance Fund (established by the Prior Ordinances);

(4) Series 2013 A Bonds Costs of Issuance Fund; and

(5) Rebate Fund.

Section 4.02. Establishment of Funds and Accounts with Bond Commission. Pursuant to this Article IV, the following special funds and accounts are hereby established (or continued if previously established by the Prior Ordinances) with and shall be held by the Bond Commission, separate and apart from all other funds or accounts of the Bond Commission or the Issuer and from each other and used solely for the purposes provided herein:

(1) Series 2001 A Bonds Sinking Fund (established by Prior Ordinance and continued hereby);

(2) Series 2001 A Bonds Reserve Account (established by Prior Ordinance and continued hereby);

(3) Series 2004 A Bonds Sinking Fund (established by Prior Ordinance and continued hereby);

(4) Series 2004 A Bonds Reserve Account (established by Prior Ordinance and continued hereby);

(5) Series 2013 A Bonds Sinking Fund;

(a) Within the Series 2013 A Bonds Sinking Fund:

(i) Series 2013 A Bonds Reserve Account; and

(ii) Series 2013 A Bonds Redemption Account.

Section 4.03. System Revenues and Application Thereof. So long as any of the Series 2013 A Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited by the Issuer in the Revenue Fund. The Revenue Fund shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided. All Gross Revenues at any time remaining on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the interest on the Prior Bonds; and (ii) commencing 7 months prior to the first interest payment date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2013 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 2013 A Bonds Sinking Fund and the next ensuing semiannual interest payment date is more or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; provided further that, the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2013 A Bonds Sinking Fund shall be reduced by the amount of accrued interest, if any, on the Series 2013 A Bonds deposited therein, and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2013 A Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the principal of the Prior Bonds; and (ii) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund and in the Series 2013 A Bonds Redemption

Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2013 A Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2013 A Bonds on the next ensuing principal payment date or mandatory Redemption Date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next ensuing principal payment date or mandatory Redemption Date is more or less than 13 months (or 7 months if the Series 2013 A Bonds mature semiannually rather than annually), then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

(3) The Issuer shall next each month, transfer from the Revenue Fund to the Operation and Maintenance Fund an amount sufficient to pay all Operating Expenses of the System.

Moneys in the Series 2013 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2013 A Bonds, whether by maturity or redemption prior to maturity. Moneys on deposit in the Series 2013 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2013 A Bonds when the funds on deposit in the Series 2013 A Bonds Sinking Fund are insufficient therefore, and for no other purpose. Pending such use, such moneys shall be invested in accordance with Article V.

The Issuer shall not be required to make any further payments into the Series 2013 A Bonds Sinking Fund when the aggregate amount of funds therein, including the Series 2013 A Bonds Reserve Account therein, is at least equal to the aggregate principal amount of Series 2013 A Bonds then Outstanding, plus the amount of interest due or thereafter to become due on such Bonds then Outstanding.

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

The payments into the Series 2013 A Bonds Sinking Fund shall be made on the first day of each month, except that, when the first day of any month shall be a Saturday, 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 Bond Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Ordinance.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Reserve Accounts of the Prior Bonds the amounts required by the Prior Ordinances; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2013 A Bonds, if not fully funded upon issuance of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2013 A Bonds Reserve Requirement, and thereafter the Issuer shall deposit in the Series 2013 A Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Series 2013 A Bonds Reserve Account below the Series 2013 A Bonds Reserve Requirement or any withdrawal from the Series 2013 A Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2013 A Bonds Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2013 A Bonds Reserve Account is less than the Series 2013 A Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2013 A Bonds Reserve Account for deposit into the Series 2013 A Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefore, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2013 A Bonds Reserve Account to an amount equal to the Series 2013 A Bonds Reserve Requirement to the full extent that such Gross Revenues are available; provided however, that if the shortfall in the Series 2013 A Bonds Reserve Account is due to a decrease in value of investments therein, such shortfall shall be replenished by not less than 6 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2013 A Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2013 A Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Series 2013 A Bonds Reserve Requirement.

Amounts in the Series 2013 A Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2013 A Bonds when due, when amounts in the Series 2013 A Bonds Sinking Fund are insufficient therefore and for no other purpose.

(5) The Issuer shall next, each month, transfer from the monies remaining in the Revenue Fund and remit to the Depository Bank for deposit in 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. Subject to the restrictions contained in the Prior Ordinances, so long as the Prior Bonds are outstanding, withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, or improvements or extensions to the System; provided, that any deficiency in any Reserve Account, except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof, shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) If on any monthly payment date the revenues of the System are insufficient to make the required deposits in any of the funds and accounts as hereinabove provided, the deficiency shall be made up on the next ensuing payment dates by payments in addition to the payments which are otherwise required to be made into the funds on such ensuing payment dates.

(7) The Issuer may next, each month, after making the above required transfers of moneys from the Revenue Fund, apply any remaining revenues ("Surplus Revenues") to payment of debt service on any other subordinate bonds, notes, certificates or other obligations of the System. Any Surplus Revenues then remaining in the Revenue Fund may be used for any lawful purpose of the System.

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

Bond Commission shall deposit all remittances in the fund or account in the priority established by this Ordinance.

C. If on any monthly payment date the Gross 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 4.03 and the Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

D. Principal and interest payments, and any payments made for the purpose of funding the Reserve Accounts, shall be made on a parity basis and pro-rata, with respect to the Prior Bonds, the Series 2013 A Bonds and any parity Bonds hereinafter issued, in accordance with the respective principal amounts of each such series of Bonds then Outstanding, if less than the full amount required hereby.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE REBATES AND CONTINUING DISCLOSURE CERTIFICATE

Section 5.01. Investments. The Issuer shall invest and reinvest, and shall instruct the Bond Commission and the Depository Bank to invest and reinvest, any moneys held as a part of the funds and accounts created by this Ordinance in Qualified Investments to the fullest extent possible under applicable laws, this Ordinance, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this section.

Except as provided below, 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 Issuer 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 Issuer may make any and all investments permitted by this section through the bond department of the Depository Bank. The Depository Bank shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The following specific provisions shall apply with respect to any investments made under this section:

(A) Qualified Investments acquired for the Renewal and Replacement Fund or any Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 3 years from the date of such investment.

(B) The Issuer shall, or shall cause the Bond Commission to, semiannually transfer from each Reserve Account to the corresponding Sinking Fund any earnings on the moneys deposited therein and any other funds in excess of the applicable Reserve Account Requirement; provided, however, that there shall at all times remain on deposit in each Reserve Account an amount at least equal to the applicable Reserve Account Requirement.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from a Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in a Reserve Account shall, at any time, be less than the applicable Reserve Requirement, the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Gross Revenues after required deposits to the applicable Sinking Fund and otherwise in accordance with Section 4.03(3).

(D) All amounts representing accrued interest shall be held by the Bond Commission, pledged solely to the payment of interest on the Bonds and invested only in Government Obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged.

(E) Notwithstanding the foregoing, all moneys deposited in any Sinking Fund may be invested by the Bond Commission in the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia, 1931, as amended.

Section 5.02. Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Series 2013 A Bonds in such manner and to such extent as may be necessary, so that such Series 2013 A Bonds will not constitute "arbitrage bonds" under Section 148 of the Code and Regulations prescribed thereunder, 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 such Bonds) so that the interest on the Series 2013 A 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 5.03. Tax Certificate, Rebates, and Rebate Fund. 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 any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2013 A 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 Ordinance.

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,

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 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 therefore. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.03 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.

Section 5.04. Continuing Disclosure Certificate. The Issuer shall deliver a continuing disclosure certificate in form acceptable to the Original Purchaser sufficient to ensure compliance with Rule 15c2-12, as it may be amended from time to time.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Ordinance shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2013 A Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Series 2013 A Bonds as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 A Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds Not to be Indebtedness of the Issuer. The Series 2013 A Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any

constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein and the unexpended proceeds of the Series 2013 A Bonds, all as herein provided. No Holder or Holders of the Series 2013 A Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2013 A Bonds or the interest thereon.

Section 6.03. Series 2013 A Bonds Secured by Parity Pledge of Gross Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of all of the Series 2013 A Bonds issued hereunder shall be secured forthwith equally and ratably with each other by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The payment of the debt service on the Series 2013 A Bonds shall also be secured by the moneys in the Series 2013 A Bonds Sinking Fund, including the Series 2013 A Bonds Reserve Account therein. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2013 A Bonds herein authorized, and to make the payments into the Series 2013 A Bonds Sinking Fund, all moneys and securities in the Series 2013 A Bonds Sinking Fund, including the Series 2013 A Bonds Reserve Account therein, and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Prior Bonds and the Series 2013 A Bonds herein authorized as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. Prior to the issuance of the Series 2013 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder.

So long as the Series 2013 A Bonds are outstanding, the Board covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Ordinance and in compliance with this Ordinance. In the event the schedule of rates and charges currently in effect for the System shall prove to be insufficient to produce the required sums set forth in this Ordinance, the Board 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 and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Ordinance. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for

contingencies and temporary unanticipated reduction in income and revenues, the Issuer and the Board hereby covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with all requisite appeal periods having expired (without successful appeal), whether or not such approved rates are being charged and collected by the Board.

The Board covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Accountant that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

Section 6.05. Operation and Maintenance. The Issuer or the Board will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the Revenues of said System in the manner provided in this Ordinance. The Issuer or the Board will obtain all permits required by state and federal laws for the operation of the System and all orders and approvals from the Public Service Commission of West Virginia necessary for the operation of the System.

Section 6.06. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer and the Board shall not sell, mortgage, lease or otherwise dispose of or encumber the System except as provided in the Prior Ordinances. Additionally, so long as the Series 2013 A Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, or to defease the pledge created by this Ordinance and the Prior Ordinances except as provided below. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the respective Sinking Funds, and otherwise as prescribed by

Section 9.01. Any balance remaining after such defeasance shall be remitted to the Board by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Board and the Issuer shall have and hereby reserve the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of $500,000, the Issuer and the Board shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $500,000 but not in excess of $5,000,000, the Issuer and the Board shall first, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $500,000 and not in excess of $5,000,000, shall be deposited by the Board into the Renewal and Replacement Fund. Such payments of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer or the Board if the proceeds to be derived therefrom shall be in excess of $5,000,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer or the Board shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except additional parity Bonds provided for in Section 6.08 hereof, payable from the Revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Gross Revenues with the Series 2013 A Bonds; and all obligations hereafter issued by the Issuer payable from the revenues of the System, except such additional Bonds, shall contain an express statement that such obligations are junior and subordinate as to lien on and source of and security for payment from such revenues and in all other respects to the Bonds.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to such additional parity Bonds, being on a parity with the lien of the Series 2013 A Bonds, and the

interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2013 A Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no Additional Parity Bonds, as in this section defined, payable out of the revenues of the System shall be issued after the issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

No such Additional Parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, or refunding the Prior Bonds, to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

So long as the Series 2013 A Bonds are Outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the two Fiscal Years following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with the time for all available appeals having expired (without successful appeal) prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the Board.

The term "Additional Parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Bonds, and all the covenants

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

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

No Additional Parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance and the Prior Ordinances on account of the Bonds then Outstanding, if any (excluding the Renewal and Replacement Fund), and any other payments provided for in this Ordinance and the Prior Ordinances shall have been made in full as required to the date of delivery of the Additional Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and the Prior Ordinances.

Provided, however, that when the Prior Bonds are no longer outstanding or in the event that the registered owners of the Prior Bonds waive the applicability of certain covenants contained in the Prior Ordinances, if the most recent audit by an independent certified public accountant for the Issuer or the Board for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the Issuer or the Board was not in compliance with the rate covenant in Section 6.04 of this Ordinance for the year being audited and the Board has, as required by Section 6.04, enacted a rate ordinance for which all applicable appeal periods shall have expired (without successful appeal) implementing a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the Issuer from issuing Additional Parity Bonds under this Section 6.08.

Section 6.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Series 2013 A Bonds remain Outstanding, the Issuer or the Board will, as an Operating Expense, procure, carry and maintain insurance and bonds and workers' compensation coverage with a reputable insurance carrier or carriers or bonding company or companies covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the time of war the Issuer or the Board will also carry and maintain insurance to the extent available against 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 and destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than $1,000,000 per occurrence to protect the Issuer and the Board 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 and the Board from claims arising out of operation or ownership of motor vehicles of or for the System.

C. WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Issuer or the Board and such payment bonds will be filed with the Clerk of the County Commission of the County in which such work is to be performed prior to commencement of construction of any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

D. FLOOD INSURANCE, to extent available at reasonable cost to the Issuer or the Board.

E. BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer or the Board.

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

Section 6.10. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling, or building intended to be served by the System to connect thereto.

Section 6.11. No Free Services. The Board will not render or cause to be rendered any free services of any nature by the System; and, in the event the Board, the Issuer or any department, agency, instrumentality, officer or employee thereof shall avail himself of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Board, the Issuer and any such department, agency, instrumentality, officer or

employee. Such charges shall be paid as they accrue, and the Board and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 6.12. Enforcement of Collections. The Issuer or the Board 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 20 days after the same shall become due and payable, the user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid and to the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, shall become a lien on the premises served by the System. The Issuer and the Board further covenant and agree that they will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services and facilities of the System to all delinquent users of services and facilities of the System and will not restore such services of the System until all billing for charges for the services and facilities of the System, including penalties and reconnect fees, have been fully paid, or a payment agreement in compliance with the West Virginia Public Service Commission regulations has been entered.

Section 6.13. No Competing Franchise. To the extent legally allowable, the Issuer and the Board will not grant or cause, consent to or allow the granting of any franchise or permit to any person, firm, corporation or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.14. Books and Records. The Issuer or the Board will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds shall have the right at all reasonable times to inspect the System, and all parts thereof, and all records, accounts and data of the Issuer and the Board relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles, to the extent allowable under and in accordance with the rules and regulations of the Public Service Commission of West Virginia and the Act. Separate control accounting records shall be maintained by the Issuer or the Board. Subsidiary records as may be required shall be kept in the manner, on the forms, in the books and along with other bookkeeping records as prescribed by the Issuer or the Board. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be

installed remote from the direct supervision of the Issuer or the Board shall be reported to such agent of the Issuer as it shall direct.

The Issuer or the Board shall file with the Original Purchaser and any Bond Insurer, and shall mail to any Holder of Bonds requesting the same, an annual report within 180 days following the end of each Fiscal Year containing a balance sheet, statement of revenues, expenses, and changes in retained earnings, and statement of cash flows, as prescribed by generally accepted accounting principles.

The Issuer or the Board shall also file with the Original Purchaser and any Bond Insurer, and mail to any Holder of Bonds requesting the same, a monthly unaudited report within 30 days following the end of each month containing the following:

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

(B) A statement of account balances in the Sinking Fund accounts provided for in this Ordinance and status of said funds.

The Issuer or the Board shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by Independent Accountants, shall mail upon request, and make available generally, the report of said Independent Accountants, or a summary thereof, to any Holder or Holders of Bonds issued pursuant to this Ordinance and shall file said report with the Original Purchaser.

Section 6.15. Operating Budget. The Issuer or the Board shall annually, at least 30 days preceding the beginning of each Fiscal Year, or at such earlier date required by its charter, prepare and adopt by resolution a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. The Issuer or the Board shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser and to any Holder of Bonds or anyone acting for and in behalf of such Holder who requests the same.

Section 6.16. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2013 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on such Series 2013 A Bonds during the term thereof is, under the terms of such Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2013 A Bonds are

used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2013 A Bonds during the terms thereof is, under the terms of such Series 2013 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2013 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Series 2013 A Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2013 A Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2013 A Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2013 A Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2013 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 6.17. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 A 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 the issuance of the Series 2013 A Bonds and shall be on a parity with one another and with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 6.18. Continuing Disclosures. In order to provide the written undertaking for the benefit of the owners of the Series 2013 A Bonds required by the Securities and Exchange Commission Rule 15c2-12, the Issuer shall enter into a Continuing Disclosure Agreement in such form as may be approved by the Supplemental Resolution, and the Mayor and City Manager are authorized and directed to execute and deliver such Continuing Disclosure Agreement on behalf of the Issuer, with such changes as the Mayor and City Manager shall approve, such approval to be conclusively evidenced by the execution of such Agreement by the Mayor and City Manager.

Section 6.19 Preliminary Official Statement; Official Statement. The distribution of the Preliminary Official Statement with respect to the Series 2013 A Bonds shall be and the same is hereby approved. The form of the Preliminary Official Statement shall be in such form as may be approved by the Supplemental Resolution. The Mayor is hereby authorized and directed to execute and deliver a final official statement on behalf of the Issuer, which shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be required to reflect the terms of the sale of the Series 2013 A Bonds and as the Mayor may approve (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 Original Purchaser for distribution.

Section 6.20. Designation of Series 2013 A Bonds as "Qualified Tax-Exempt Obligations". The Issuer hereby designates the Series 2013 A Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Series 2013 A Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 2013 A Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2013, all as determined in accordance with the Code.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2013 A Bonds:

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

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

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

(D) If the Issuer defaults on the Prior Bonds or the Prior Ordinances.

Section 7.02. Enforcement. Upon the happening and continuance of any Event of Default, any Registered Owner of any Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his rights and, in particular:

(A) Bring suit for any unpaid principal or interest then due;

(B) By mandamus or other appropriate proceeding enforce all rights of the Registered Owners, including the right to require the Issuer or the Board to perform their duties under the Act and this Ordinance;

(C) Bring suit upon the Bonds;

(D) By action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds; and

(E) By action or bill in equity enjoin any acts in violation of this Ordinance or the rights of the Registered Owners of the Bonds; provided that, all rights and remedies of the Registered Owners of the Series 2013 A Bonds shall be on a parity with those of the Registered Owners of the Prior Bonds.

No remedy by the terms of this Ordinance conferred upon or reserved to the Registered Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Registered Owners hereunder or now or hereafter existing at law or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder by the Registered Owners shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Registered Owner shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer and the Board, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the principal of and interest on the Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Ordinance and the Act.

The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate, maintain, manage and control such facilities, and each and every part thereof, and in the name of

the Issuer and the Board exercise all the rights and powers of the Issuer and the Board with respect to said facilities as the Issuer or the Board itself might do.

Whenever all that is due upon the Series 2013 A Bonds issued pursuant to this Ordinance and interest thereon and under any covenants of this Ordinance for reserve, sinking or other funds and accounts 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 Ordinance shall have been cured and made good, possession of the System shall be surrendered to the Issuer and the Board upon the entry of an order of the court to that effect. Upon any subsequent default, any Registered Owner shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby and a successor receiver 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 the Board and for the joint protection and benefit of the Issuer, the Board, and the Registered Owners of the Bonds issued pursuant to this Ordinance. 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 the Registered Owners of the Bonds, and the curing and making good of any default under the provisions of this Ordinance, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the System.

Section 7.04. Restoration of Issuer and Registered Owners. In case any Registered Owner shall have proceeded to enforce any right under this Ordinance by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Board, and such Registered Owners shall be restored to their former positions and rights hereunder, and all rights and remedies of such Registered Owners shall continue as if no such proceedings had been taken.

ARTICLE VIII

REGISTRAR, PAYING AGENT AND DEPOSITORY BANK

Section 8.01. Appointment of Registrar, Paying Agent and Depository Bank. The Registrar, Paying Agent and Depository Bank (collectively, the "Fiduciaries") for the

Series 2013 A Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Fiduciaries, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Fiduciaries. The recitals of fact in the Series 2013 A Bonds shall be taken as statements of the Issuer, and the Fiduciaries shall not be responsible for their accuracy. The Fiduciaries shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Series 2013 A Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication on the Series 2013 A Bonds. The Fiduciaries and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

Section 8.03. Evidence on Which Fiduciaries May Act. Except as otherwise provided by Section 10.02, the Fiduciaries shall be protected in acting upon any notice, resolution, request, consent, order, certificate, opinion or other document believed by them to be genuine and to have been signed or presented by the proper party or parties. Whenever any Fiduciary shall deem it necessary or desirable that a fact or matter be proved or established prior to taking or suffering any action, such fact or matter, unless other evidence is specifically prescribed, may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Issuer, but in its discretion such Fiduciary may instead accept other evidence of such fact or matter.

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Fiduciaries from time to time reasonable compensation for all services, including the transfer of registration of Series 2013 A Bonds, the first exchange of Series 2013 A Bonds and the exchange of Series 2013 A Bonds in the event of partial redemption, incurred in the performance of their duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Series 2013 A Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners or effect or aid in any reorganization growing out of the enforcement of the Series 2013 A Bonds or this Ordinance, whether or not any such committee shall represent the Registered Owners of a majority in principal amount of the Series 2013 A Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Ordinance by giving not less than 60 days' written notice to the Issuer and mailing such notice to each Bondholder, specifying the date when such resignation shall take effect. Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or Bondholders, in which event such resignation shall take effect immediately.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer or by the Registered Owners of a majority in principal amount of the Series 2013 A Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer or by such Registered Owners or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Series 2013 A Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Bondholders. The Issuer shall mail to each Bondholder notice of any such appointment within 20 days after the effective date of such appointment. Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Bondholders. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance.

Section 8.09. Transfer of Rights and Property to Successor. Any predecessor Registrar or Paying Agent shall pay over, assign and deliver any moneys, books and records held by it and relating to the Series 2013 A Bonds to its successor.

Section 8.10. Merger or Consolidation. Any company into which the Registrar may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which the Registrar or any public officer or court may sell or transfer all or substantially all of its corporate trust business, shall be the successor to such Registrar without the execution or filing of any paper or the performance of any further act; provided, however, that such company shall be a bank, trust company or national banking association meeting the requirements set forth in Section 8.08.

Section 8.11. Adoption of Authentication. In case any of the Series 2013 A Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Series 2013 A Bonds so authenticated, and, in case any Series 2013 A Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Series 2013 A Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent. The Paying Agent for the Series 2013 A Bonds shall be the Commission or any other Paying Agent appointed by the Issuer pursuant to a Supplemental Resolution pertaining to such Series 2013 A Bonds. Any alternate Paying Agent must be a bank, trust company, national banking association or other entity authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Series 2013 A Bonds shall be and remain DTC-Eligible.

Each Paying Agent shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by such Paying Agent in connection with such services solely from moneys available therefore.

Any bank, trust company or national banking association with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Ordinance. If the position of Paying Agent shall become vacant for any reason, the Issuer shall, within 30 days thereafter, appoint a bank, trust company or national banking association located in the same city as such Paying Agent to fill such vacancy; provided, however, that, if the Issuer shall fail to appoint such Paying Agent within said period, the Bond Commission, a court of competent jurisdiction or a majority of the Registered Owners may make such appointment.

The Paying Agents shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in this Article VIII with respect to the Registrar, insofar as such provisions may be applicable.

Notice of the appointment of successor or additional Paying Agents or fiscal agents shall be given in the same manner as provided by Section 8.08 hereof with respect to the appointment of a successor Registrar.

All moneys received by the Paying Agents shall, until used or applied as provided in this Ordinance, be held in trust for the purposes for which they were received.

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Registered Owners of all Series 2013 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 Ordinance, then this Ordinance and the pledges of the Gross Revenues and other moneys and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Registered Owners of the

Series 2013 A Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2013 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 Bond Commission or an escrow trustee either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Series 2013 A Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Series 2013 A Bonds prior to the maturity thereof, on and prior to said redemption date. Neither securities nor moneys deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Series 2013 A Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or redemption dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. This Ordinance and any Supplemental Resolution may be amended or modified without the consent of any Registered Owner or other person, solely for the purpose of maintaining the tax-exempt status of the Series 2013 A Bonds, provided that, in the event any of the Series 2013 A Bonds are insured, no such amendment or modification which adversely affects the security for such Series 2013 A Bonds or the rights of the applicable Bond Insurer for such Series 2013 A Bonds may be effected without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Registered Owners of 60% in aggregate principal amount of the Series 2013 A Bonds then Outstanding and affected thereby and the Bond Insurer, if any, which must be filed with the City Clerk of the Issuer before any such modification or amendment, if any, may be made. No such

modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Series 2013 A Bond without the express written consent of the Registered Owner of such Bond, nor reduce the percentage of Series 2013 A Bonds required for consent to any such modification or amendment.

Section 10.02. Evidence of Signatures of Registered Owners and Ownership of Series 2013 A Bonds. Any request, consent, revocation of consent or other instrument which this Ordinance may require or permit to be signed and executed by Registered Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Registered Owners in person or by their attorneys duly authorized in writing. Proof of the execution of any such instrument, or of an instrument appointing or authorizing any such attorney, shall be sufficient for any purpose of this Ordinance if made in the following manner, or in any other manner satisfactory to the Issuer or the Registrar, as the case may be, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

A. The fact and date of the execution by any Registered Owner or his attorney of any such instrument may be proved (i) by the certificate of a notary public or other officer authorized to take acknowledgments of deeds to be recorded in the jurisdiction in which he purports to act that the person signing such instrument acknowledged to him the execution thereof, or by the affidavit of a witness of such execution, duly sworn to before such a notary public or other officer or (ii) by the certificate, which need not be acknowledged or verified, of an officer of a bank, a trust company or a financial firm or corporation satisfactory to the Issuer or the Registrar, as the case may be, that the person signing such instrument acknowledged to such bank, trust company, firm or corporation the execution thereof.

B. The authority of a person or persons to execute any such instrument on behalf of a corporate Holder may be established without further proof if such instrument is signed by a person purporting to be the president or treasurer or a vice-president or an assistant treasurer of such corporation with a corporate seal affixed, and is attested by a person purporting to be its secretary or assistant secretary.

C. The amount of fully registered Series 2013 A Bonds held by a person executing any instrument as a Registered Owner, the date of his holding such Series 2013 A Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

Any request, consent or other instrument executed by the Registered Owner of any Bond shall bind all future Registered Owners of such Bond in respect of anything done or suffered to be done hereunder by the Issuer or the Registrar in accordance therewith.

Section 10.03. Preservation and Inspection of Documents. To the extent allowable under law, all reports, certificates, statements and other documents received by the Registrar under the provisions of this Ordinance shall be retained in its possession and shall be available at all reasonable times for the inspection of the Issuer or any Registered Owner, and their agents and their representatives, but any such reports, certificates, statements or other documents may, at the election of the Registrar, be destroyed or otherwise disposed of at any

time after such date as the pledge created by this Ordinance shall be discharged as provided in Section 9.01.

Section 10.04. Cancellation of Series 2013 A Bonds. All Series 2013 A Bonds purchased or paid shall, if surrendered to the Issuer, be canceled and delivered to the Registrar, or, if surrendered to the Registrar, be canceled by it. No such Series 2013 A Bonds shall be deemed Outstanding under this Ordinance and no Series 2013 A Bonds shall be issued in lieu thereof. All such Series 2013 A Bonds shall be canceled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Series 2013 A Bonds. Anything in this Ordinance to the contrary notwithstanding, any monies held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Series 2013 Bonds which remain unclaimed for two years after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a notice that such monies remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such monies then unclaimed will be returned to the Issuer.

Section 10.06. Notices, Demands and Requests. Unless otherwise expressly provided, all notices, demands and requests to be given or made hereunder to or by the Issuer, the Registrar, the Depository Bank, or the Original Purchaser shall be in writing and shall be properly made if sent by United States mail, postage prepaid, and addressed as follows or if hand-delivered to the individual to whom such notice, demand or request is required to be directed as indicated below:

CITY:

City of Clarksburg
c/o Clarksburg Water Board
1001 South Chestnut Street
Clarksburg, West Virginia 26101
Attention: General Manager

REGISTRAR

[Name(s) and address(s) to be set forth in Supplemental Resolution]

PAYING AGENT:

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117

Charleston, West Virginia 25301
Attn: Executive Director

DEPOSITORY BANK:

[Name(s) and address(s) to be set forth in Supplemental Resolution]

ORIGINAL PURCHASERS:

Crews & Associates, Inc.
150 Clay Street, Suite 410
Morgantown, West Virginia 26501

Any party listed above may change such address listed for it at any time upon written notice of change sent by United States mail, postage prepaid, to the other parties.

Section 10.07. No Personal Liability. No member of the Council or officer or employee of the Issuer shall be individually or personally liable for the payment of the principal of or the interest on any Series 2013 A Bond, but nothing herein contained shall relieve any such member, official or employee from the performance of any official duty provided by law or this Ordinance.

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Series 2013 A Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 A Bonds and the Original Purchaser, any right, remedy or claim under or by reason of this Ordinance. All the covenants, stipulations, promises and agreements contained in this Ordinance by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 A Bonds and the Original Purchaser.

Section 10.10. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 10.11. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 10.12. Conflicting Provisions Repealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, provided however, that the Prior Ordinances shall remain in full force and effect so long as any of the Prior Bonds are Outstanding.

Section 10.13. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, City Clerk and members of the Council were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 10.14. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the City Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in the *Clarksburg Exponent/Telegram*, a newspaper published and having a general circulation in the City of Clarksburg, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds described in this Ordinance and that any person interested may appear before the Council of the Issuer at the public hearing to be had at a public meeting of the Council at the date, time and location stated in the notice, and present protests, and that a certified copy of this Ordinance is on file with the City Clerk for review by interested parties during the office hours of the City Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

[Remainder of Page Intentionally Blank]

Section 10.15. Effective Date. This Ordinance shall take effect immediately upon enactment.

First Reading: February 7, 2013

Second Reading: February 21, 2013

Passed on Final Reading Following Public Hearing: March 7, 2013

Enacted this 7th day of March, 2013.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

APPROVED AND CORRECT AS TO FORM:

City Attorney

APPROVED:

President, Clarksburg Water Board

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the Council of the CITY OF CLARKSBURG at a regular meeting of the Council held at 7:00 p.m., on March 7, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper published and having a general circulation in the City of Clarksburg, the first publication having been not less than 10 days prior to such public hearing.

Dated this 26th day of April, 2013.

[SEAL]

Annette M. Wright

City Clerk

EXHIBIT A – FORM OF SERIES 2013 A BOND

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BOND, SERIES 2013 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as

of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on _____ 1 and _____ 1, in each year, beginning _____ 1, 20____ (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each _____ 15 and _____ 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2002 Bonds, (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on _____, 2013, and supplemented by supplemental resolutions adopted by said Council on _____, 2013, and _____, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

The Bonds of this issue are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Bonds maturing on or after _____, _____ are subject to redemption prior to maturity at the option of the Issuer on and after _____, _____, in whole or in part at any time, in such order of maturity as shall be designated to the Registrar by the Issuer and by lot within a maturity, at the following redemption prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price
_____ to _____	$_____
_____ to _____	$_____
_____ to _____	$_____

(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, are subject to annual mandatory redemption prior to maturity by random selection on _____ of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing

Year ( )	Principal Amount

Bonds Maturing

Year ( )	Principal Amount

_____
* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or

certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to 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 and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manager

ATTEST:

(Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: _____, 20____.

_____,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES AND OTHER TERMS OF THE WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO THE ORIGINAL PURCHASER; APPOINTING A REGISTRAR AND PAYING AGENT FOR SUCH BONDS; APPROVING CERTAIN AMENDMENTS TO THE BOND AUTHORIZING ORDINANCE FOR THE SERIES 2013 A BONDS AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, The City of Clarksburg (the "Issuer") in the County of Harrison, State of West Virginia, is a municipal corporation and political subdivision of said State, the governing body of which is its Council (the "Governing Body");

WHEREAS, the Governing Body has duly and officially enacted on March 7, 2013, an Ordinance (the "Ordinance") entitled:

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING

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

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

WHEREAS, the Ordinance provides for the issuance by the Issuer of its Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) in an aggregate principal amount not to exceed $10,000,000 (the "Series 2013 A Bonds" or "Bonds") in accordance with Chapter 8, Article 19 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Issuer is advised that current market conditions are such that interest savings would be realized from the current refunding of its outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds") and the Issuer has determined that it is currently in the best interest of its residents to currently refund the Series 2002 Bonds through the issuance of its Series 2013 A Bonds;

WHEREAS, the Ordinance further provided that the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Bonds should be established by Supplemental Resolution or by a Certificate of Determinations, that a Registrar, Paying Agent and Depository Bank be designated, that a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Registrar Agreement and an Official Statement be approved and that other matters pertaining to the Bonds be provided for by a Supplemental Resolution of the Governing Body or pursuant to a Certificate of Determinations, that additional covenants and provisions relating to the Bonds be provided therein, and that other matters pertaining to the Bonds be provided for by a supplemental resolution of this Governing Body or by Certificate of Determinations;

WHEREAS, the Bonds are proposed to be purchased by Crews & Associates, Inc., Morgantown, West Virginia (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the Issuer, and agreed to by the Clarksburg Water Board (the "Board") to be dated the date of execution thereof (the "Bond Purchase Agreement");

WHEREAS, the Governing Body has determined that, in order to obtain the best possible savings for the City in the current interest rate environment, the Mayor and City Manager shall be empowered and authorized to execute the Bond Purchase Agreement, within the parameters set forth herein, at such time as the Mayor and City Manager shall determine most advantageous to the Issuer, or not at all; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental parameters resolution (the "Supplemental Parameters Resolution") be adopted, that the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax and Non-

Arbitrage Certificate, the Registrar Agreement and the Prepayment Agreement hereinafter provided for be entered into by the Issuer, that the Preliminary Official Statement relating to the Bonds, hereinafter described, be approved, that the Mayor and City Manager be authorized to enter into the Bond Purchase Agreement within the parameters hereby approved by the Governing Body, and that other matters relating to the Bonds be herein provided for all in accordance with the Ordinance;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLARKSBURG:

SECTION 1. For the purposes of (i) paying the entire outstanding principal balance of and all accrued interest on the Issuer's outstanding Series 2002 Bonds, (ii) funding a debt service reserve account for the Series 2013 A Bonds, and (iii) paying costs of issuance of the Series 2013 A Bonds and related costs, the Governing Body of the Issuer hereby authorizes and orders the issuance of the Series 2013 A Bonds in an aggregate principal amount not to exceed $10,000,000, provided that the Net Present Value of the savings of such refunding shall not be less than 3.0%.

SECTION 2. Pursuant to the Ordinance and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2013 A Bonds. The Series 2013 A Bonds shall be issued in the aggregate principal amount not to exceed $10,000,000, bear interest at a rate not to exceed 6%, payable semiannually on March 1 and September 1 of each year, and shall mature on September 1 in such years, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates (with final maturity no later than September 1, 2019) shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor and City Manager pursuant to the execution and delivery by the Mayor and City Manager of a Certificate of Determinations with respect to the Bonds, dated the date of the Bond Purchase Agreement, the form of which is attached hereto as EXHIBIT A and approved hereby (the "Certificate of Determinations"); and shall be substantially in the form set forth in the Ordinance, provided however, that the specific terms of the Series 2013 A Bonds shall be as determined by the Mayor and City Manager at the time of the execution of the Bond Purchase Agreement and as approved by the Mayor and City Manager in the Certificate of Determinations. All other provisions relating to the Series 2013 A Bonds shall be as provided in the Ordinance.

SECTION 3. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, and agreed to by the Board, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Issuer and the President of the Board of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager of the Issuer and the President of the Board thereof shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager of the Issuer and the President of the Board shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the Issuer and the President of the Board. The execution of the Bond Purchase Agreement by the Mayor and City Manager of the Issuer and the President of the Board shall be conclusive evidence of any approval required by this Section, and authorization of

any action required by the Bond Purchase Agreement relating to the issuance and sale of the Bonds, including the payment of all necessary fees and expenses in connection therewith.

SECTION 4. Proceeds of the Bonds shall be expended solely for the purposes set forth in the Ordinance and in the Certificate of Determinations.

SECTION 5. The Issuer is advised and hereby finds that based upon the assumed principal amount, maturity schedule and interest rates for the Series 2013 A Bonds presented to the Issuer by the Original Purchaser, the Series 2013 A Bonds show a net present value debt service savings to the Issuer after deducting all expenses of the refunding of the Series 2002 Bonds and the costs of issuing the Series 2013 A Bonds.

SECTION 6. The Tax and Non-Arbitrage Certificate, to be dated the date of execution and delivery of the Bonds (the "Tax Certificate"), and executed and delivered by the Issuer, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Tax Certificate with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Tax Certificate by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 7. The Continuing Disclosure Agreement, to be dated the date of execution and delivery of the Bonds (the "Disclosure Agreement"), by and among the Issuer, the Board and the Dissemination Agent named therein, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery thereof (in multiple counterparts) by the Mayor and City Manager of the City and the President of the Board shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager of the City and the President of the Board shall execute and deliver the Disclosure Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the City and the President of the Board. The execution of the Disclosure Agreement by the Mayor and City Manager of the City and the President of the Board shall be conclusive evidence of any approval required by this Section.

SECTION 8. The distribution by the Original Purchaser of a Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), substantially in the form submitted to this meeting is hereby ratified and approved. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor and City Manager is hereby approved. The Official Statement to be substantially in the form of the Preliminary Official Statement, (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor and City Manager of the Issuer and the President of the Board) and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The Mayor and City Manager of the Issuer and the President of the Board shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved. The execution of the Official Statement by the

Mayor and City Manager of the Issuer and the President of the Board shall be conclusive evidence of any approval required by this Section.

SECTION 9. The Registrar Agreement by and between the Issuer and the Registrar designated herein, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Registrar Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 10. The Prepayment Agreement by and among the Issuer, the West Virginia Municipal Bond Commission, as paying agent for the Series 2002 Bonds and the Series 2013 A Bonds, and the Registrar designated herein (the "Prepayment Agreement"), substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Prepayment Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Prepayment Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 11. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Bonds.

SECTION 12. The firm of Crews & Associates, Inc., Morgantown, West Virginia, is hereby appointed as the Underwriter and Original Purchaser of the Series 2013 A Bonds.

SECTION 13. The Issuer hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia, as the Paying Agent for the Series 2013 A Bonds and the Escrow Agent for the current refunding and redemption of the Series 2002 Bonds.

SECTION 14. The Issuer hereby appoints and designates WesBanco Bank, Inc., Clarksburg, West Virginia, as the Depository Bank for the Bonds.

SECTION 15. The Issuer hereby appoints and designates WesBanco Bank, Inc., Wheeling, West Virginia, as the Registrar for the Bonds.

SECTION 16. The Mayor, City Manager and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates, required or desirable in connection with the Bonds to the end that the Bonds may be delivered on a timely basis to the Original Purchaser pursuant to the Bond Purchase Agreement.

SECTION 17. The notice addresses for the Depository Bank, Paying Agent, Registrar and Original Purchaser shall be as follows:

DEPOSITORY BANK

WesBanco Bank, Inc.
140 West Main Street
Clarksburg, West Virginia 26301
Attention: Branch Manager

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attention: Executive Director

REGISTRAR

WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Corporate Trust Department

ORIGINAL PURCHASER

Crews & Associates, Inc.
150 Clay Street, Suite 410
Morgantown, West Virginia 26501

SECTION 18. The issuance of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

SECTION 19. The Issuer hereby covenants and agrees that it will not permit at any time or times any of the proceeds of the Series 2013 A Bonds or any other funds of the Issuer to be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Series 2013 A Bonds or Prior Bonds to be an "arbitrage bond" as defined in Section 148 of the Code, and the regulations promulgated pursuant thereto. The Mayor and City Manager of the Issuer are authorized and directed to execute and deliver such further instruments or agreements as shall be required to provide further assurances of the Issuer's compliance with this covenant.

SECTION 20. The Tax Compliance Policy attached hereto as Exhibit B is hereby approved and adopted for the use in connection with the Series 2013 A Bonds.

SECTION 21. The Mayor, City Manager and City Clerk, and all other appropriate officers and employees of the Issuer are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Series 2013 A Bonds to be duly and properly

issued by the Issuer and delivered to the Original Purchaser as herein authorized and to otherwise facilitate the transaction contemplated by this Supplemental Parameters Resolution, and no further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

SECTION 22. Section 6.04 of the Ordinance is hereby amended so as to read in its entirety as follows.

Section 6.04. Rates. Prior to the issuance of the Series 2013 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder.

So long as the Series 2013 A Bonds are outstanding, the Board covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Ordinance and in compliance with this Ordinance. In the event the schedule of rates and charges currently in effect for the System shall prove to be insufficient to produce the required sums set forth in this Ordinance, the Board 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 and charges and take all such actions necessary to prove funds sufficient to produce the required sums set forth in this Ordinance. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer and the Board hereby covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Board, the time for appeal of which shall

have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with all requisite appeal periods having expired (without successful appeal), whether or not such approved rates are being charged and collected by the Board.

The Board covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Accountant that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

SECTION 23. Section 6.06 of the Ordinance is hereby amended so as to read in its entirety as follows:

Section 6.06. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer and the Board shall not sell, mortgage, lease or otherwise dispose of or encumber the System except as provided in the Prior Ordinances. Additionally, so long as the Series 2013 A Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, or to defease the pledge created by this Ordinance and the Prior Ordinances except as provided below. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the respective Sinking Funds, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Board by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Board and the Issuer shall have and hereby reserve the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of $500,000, the Issuer and the Board shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $500,000 but not in excess of $5,000,000, the Issuer and the Board shall first, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $500,000 and not in excess of $5,000,000, shall be deposited by the Board into the Renewal and Replacement Fund. Such

payments of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer or the Board if the proceeds to be derived therefrom shall be in excess of $5,000,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer or the Board 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 24. Section 6.08 of the Ordinance is hereby amended so as to read in its entirety as follows:

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no Additional Parity Bonds, as in this section defined, payable out of the revenues of the System shall be issued after the issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

No such Additional Parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, or refunding the Prior Bonds, to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

So long as the Series 2013 A Bonds are Outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the two Fiscal Years following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with the time for all available appeals having expired (without successful appeal) prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the Board.

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

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

No Additional Parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance and the Prior Ordinances on account of the Bonds then Outstanding, if any (excluding the Renewal and Replacement Fund), and any other payments provided for in this Ordinance and the Prior Ordinances shall have been made in full as required to the date of delivery of the Additional Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and the Prior Ordinances.

Provided, however, that when the Prior Bonds are no longer outstanding or in the event that the registered owners of the Prior Bonds waive the applicability of certain covenants contained in the Prior Ordinances, if the most recent audit by an independent certified public accountant for the Issuer or the Board for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the Issuer or the Board was not in compliance with the rate covenant in Section 6.04 of this Ordinance for the year being audited and the Board

has, as required by Section 6.04, enacted a rate ordinance for which all applicable appeal periods shall have expired (without successful appeal) implementing a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the Issuer from issuing Additional Parity Bonds under this Section 6.08.

SECTION 25. This Supplemental Parameters Resolution shall be effective immediately following adoption hereof.

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Adopted this 21st day of March, 2013.

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

[SEAL]

Attest:

_____
City Clerk

CERTIFICATION

Certified a true copy of a Supplemental Parameters Resolution duly adopted by the Council of the CITY OF CLARKSBURG on March 21, 2013, which Supplemental Parameters Resolution has not been repealed, rescinded, modified, amended or revoked, as of the date hereof.

Dated this 26th day of April, 2013.

By: Annette M. Wright
City Clerk

155510.00031

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

CERTIFICATE OF DETERMINATIONS

The undersigned, Patsy Trecost, Mayor and Martin Howe, City Manager of the City of Clarksburg (the "Issuer") and the undersigned President of the Clarksburg Water Board (the "Board"), in accordance with the Bond Ordinance enacted by the Issuer on March 7, 2013, as supplemented and amended by the Supplemental Parameters Resolution adopted by the Issuer on March 21, 2013 (collectively, the "Bond Ordinance"), and in accordance with the Supplemental Parameters Resolution adopted by the Board on March 26, 2013 (the "Board Resolution"), with respect to the Issuer's Water Refunding Revenue Bonds, Series 2013 A (the "Series 2013 A Bonds"), hereby finds and determines this ____ day of _____, 2013 as follows:

1. The Series 2013 A Bonds shall be dated _____, 2013, shall bear interest payable on March 1 and September 1 of each year commencing _____ 1, 20___.

2. The Series 2013 A Bonds shall be issued in the aggregate principal amount of $_____, which does not exceed the $10,000,000 maximum principal amount authorized pursuant to the Bond Ordinance and the Board Resolution. The interest rates on the Series 2013 A Bonds set forth in Schedule 1 attached hereto do not exceed 6%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The Net Present Value of the savings realized from such refunding is not less than 3%.

3. The Series 2013 A Bonds shall mature in the amounts and on the dates and shall be subject to [mandatory sinking fund redemption] in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2013 A Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2013 A Bonds shall be subject to optional redemption as set forth on Schedule 2 attached hereto and incorporated herein.

6. The Series 2013 A Bonds shall be sold to Crews & Associates, Inc. (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, and agreed to by the Board, at an aggregate purchase price of $_____(representing par value less an Underwriter's discount of $_____and less an original issue discount of $_____).

7. The forms of the Bond Purchase Agreement, the Tax Certificate, the Continuing Disclosure Agreement, the Official Statement, the Rule 15c2-12 Certificate and the Registrar Agreement attached hereto are hereby approved by the Issuer.

8. The forms of the Bond Purchase Agreement, Continuing Disclosure Agreement and the Official Statement attached hereto are hereby approved by the Board.

The undersigned hereby certify that the foregoing terms and conditions of the Series 2013 A Bonds are within the parameters prescribed by the Bond Ordinance, and the Series 2013 A Bonds may be issued with such terms and conditions as authorized by the Bond Ordinance.

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SCHEDULE 1

SERIES 2013 A BOND TERMS

Bond No.	Maturity Date (September 1)	Principal Amount	Interest Rate	Yield	CUSIP
AR-1					
AR-2					
AR-3					
AR-4					
AR-5					

SCHEDULE 2

SERIES 2013 A BONDS REDEMPTION PROVISIONS:

Optional Redemption

Mandatory Redemption

EXHIBIT B

TAX COMPLIANCE POLICIES

Purpose

Governmental issuers of tax-exempt and tax-credit bonds must comply with certain federal tax rules pertaining to expenditure of proceeds for qualified costs, rate of expenditure, use of bond financed property, investment of proceeds in compliance with arbitrage rules, and retention of records. The following policies are intended to establish compliance by the City of Clarksburg, West Virginia (the *"Issuer"*), as the issuer, with these rules in connection with the issuance of the Issuer's Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "*Tax-Exempt Bonds*"). It is understood and agreed by the Issuer, and the Issuer has covenanted to take all actions necessary to maintain the Tax-Exempt Bonds as tax-exempt state and local bonds.

Tax Requirements Associated with Sale and Issuance of Bonds

Review and retention of tax documents related to the sale and issuance of Bonds will be supervised by the City Finance Director or his designee (the "*Oversight Officer*").

- Form 8038-G (tax exempt bonds) will be reviewed and filed not later than the 15th day of the 2nd calendar month following the quarter in which the bonds were issued. Filing of appropriate version or versions of Form 8038-G will be confirmed with bond counsel.

Expenditure of Proceeds for Governmental Costs

Expenditure of bond proceeds will be reviewed by the Oversight Officer.

- Bond proceeds will be disbursed pursuant to the Bond Ordinance, and will be a written order of an Authorized Officer, stating the date, amount and purpose of the disbursement.

- Requisitions must identify the financed property in conformity with the Tax and Non-Arbitrage Certificate executed by the Issuer at closing, including any certifications as to the character and average economic life of the bond-financed property.

- Requisitions for costs that were paid prior to the issuance of the bonds are, in general, limited to costs paid subsequent to, or not more than 60 days prior to, the date a "declaration of intent" to reimburse the costs was adopted by the City. If proceeds are used for reimbursement, a copy of the declaration will be obtained and included in the records for the Tax-Exempt Bonds, if not already part of the bond transcript.

- Requisitions will be in accordance with expectations to spend or commit 5% of net sale proceeds within 6 months, to spend 85% of net sale proceeds within 3 years, and to proceed with due diligence to complete the project and fully spend the net sale proceeds. Expected expenditure schedules, project timelines, and plans and specifications will be maintained to support expectations. Reasons for failure to meet the expected schedule will be documented and retained in the records for the Tax-Exempt Bonds.

- If the 18-month spending exception to rebate applies, expenditure of gross proceeds will be monitored against the following schedule for the arbitrage rebate exception for the issue, if applicable:

  15% within 6 months
  60% within 12 months
  100% within 18 months

- If the 2-year spending exception to rebate applies, expenditure of "available construction proceeds" will be monitored against the following schedule for the arbitrage rebate exception for construction issues if applicable:

  10% within 6 months
  45% within 12 months
  75% within 18 months
  100% within 24 months

Expenditure of Proceeds

In addition to the general review of expenditures described above, expenditure of proceeds of the Tax-Exempt Bonds will be reviewed by the Oversight Officer.

- Reserve funds cannot exceed the least of 10% of bond proceeds, maximum annual debt service, or 125% of average annual debt service. The initial funding of any reserve fund will be measured against this limit.

- Only a small portion (5%) of the proceeds of Tax-Exempt Bonds can be used for operating expenses or other "working capital" costs. Requisitions for costs of the Project will accordingly be monitored to confirm that they are for capital costs of the Project.

- Investment earnings on sale proceeds of the Tax-Exempt Bonds will be tracked and will be requisitioned only for appropriate expenditures.

Use of Bond-Financed Property

Use of bond-financed property when completed and placed in service will be reviewed by the Oversight Officer.

- Average nonexempt use of bond-financed property over the life of the issue cannot exceed 10% of the proceeds.

- Agreements with business users or non-profit organizations for lease or management or services contracts, sponsored research, naming rights or any other potential nonexempt use of bond-financed property will be reviewed prior to execution of any contract to determine if property subject to the Bond Ordinance is bond-financed.

- Agreements with business users or other non-profit organizations for lease or management or services contracts or other private business use involving bond-financed property will be tracked and aggregated with other private business uses for compliance with the 10% limit, as set forth in the Tax and Non-Arbitrage Certificate.

- No item of bond-financed property will be sold or transferred to a nonexempt party without advance arrangement of a "remedial action" under the applicable Income Tax Regulations.

Investments and IRS Filings

Investment of bond proceeds in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Oversight Officer.

- Guaranteed investment contracts ("*GIC*") will be purchased only using the three-bid "safe harbor" of applicable Income Tax Regulations, in compliance with fee limitations on GIC brokers in the Income Tax Regulations.

- Other investments will be purchased only in market transactions.

- Calculations of rebate liability will be performed annually by outside consultants.

- Rebate payments will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance and (b) the final retirement of the issue. Compliance with rebate requirements will be reported to the bond trustee and the issuer.

- Identify date for first rebate payment at time of issuance. Enter in records for the issue.

Records

Management and retention of records related to tax-exempt bond issues will be supervised by the Oversight Officer.

- Records will be retained for the life of the bonds plus any refunding bonds plus three years. Records may be in the form of documents or electronic copies of

documents, appropriately indexed to specific bond issues and compliance functions.

- Retainable records pertaining to the Tax-Exempt Bonds include transcript of documents executed in connection with the issuance of the bonds (including authorizing resolutions, Bond Ordinance, Form 8038-G, and Tax and Non-Arbitrage Certificate) and any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T.

- Retainable records pertaining to expenditures of bond proceeds include requisitions, accounting statements and final allocation of proceeds.

- Retainable records pertaining to use of property include all agreements reviewed for nonexempt use and any reviewed documents relating to unrelated business activity.

- Retainable records pertaining to investments include GIC documents under the Income Tax Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

Overall Responsibility

Overall administration and coordination of this policy is the responsibility of the Oversight Officer.

CITY OF CLARKSBURG, WEST VIRGINIA

_____

By: City Manager

_____

By: Mayor

Date: _____, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

CERTIFICATE OF DETERMINATIONS

The undersigned, Patsy Trecost, Mayor and Martin Howe, City Manager of the City of Clarksburg (the "Issuer") and the undersigned President of the Clarksburg Water Board (the "Board"), in accordance with the Bond Ordinance enacted by the Issuer on March 7, 2013, as supplemented and amended by the Supplemental Parameters Resolution adopted by the Issuer on March 21, 2013 (collectively, the "Bond Ordinance"), and in accordance with the Supplemental Parameters Resolution adopted by the Board on March 26, 2013 (the "Board Resolution"), with respect to the Issuer's Water Refunding Revenue Bonds, Series 2013 A (the "Series 2013 A Bonds"), hereby finds and determines this 9th day of April, 2013 as follows:

1. The Series 2013 A Bonds shall be dated April 26, 2013, shall bear interest payable on March 1 and September 1 of each year commencing September 1, 2013.

2. The Series 2013 A Bonds shall be issued in the aggregate principal amount of $9,220,000, which does not exceed the $10,000,000 maximum principal amount authorized pursuant to the Bond Ordinance and the Board Resolution. The interest rates on the Series 2013 A Bonds set forth in Schedule 1 attached hereto do not exceed 6%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The Net Present Value of the savings realized from such refunding is not less than 3%.

3. The Series 2013 A Bonds shall mature in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2013 A Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2013 A Bonds shall not be subject to redemption prior to the maturity thereof.

6. The Series 2013 A Bonds shall be sold to Crews & Associates, Inc. (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, and agreed to by the Board, at an aggregate purchase price of $8,990,155.50 (representing par value plus a reoffering premium of $655.50, less an Underwriter's discount of $230,500.

7. The forms of the Bond Purchase Agreement, the Tax Certificate, the Continuing Disclosure Agreement, the Preliminary Official Statement, the Rule 15c2-12

Certificate and the Registrar Agreement attached hereto as Exhibit A are hereby approved by the Issuer.

8. The forms of the Bond Purchase Agreement, Continuing Disclosure Agreement and the Preliminary Official Statement attached hereto Exhibit A are hereby approved by the Board.

The undersigned hereby certify that the foregoing terms and conditions of the Series 2013 A Bonds are within the parameters prescribed by the Bond Ordinance, and the Series 2013 A Bonds may be issued with such terms and conditions as authorized by the Bond Ordinance.

[Remainder of Page Intentionally Blank]

WITNESS our signatures the day and year first written above.

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

CLARKSBURG WATER BOARD

By: _____
Its: President

155510.00031

SCHEDULE 1

SERIES 2013 A BOND TERMS

Bond No.	Maturity Date (September 1)	Principal Amount	Interest Rate	Yield	CUSIP
AR-1	9/1/2013	$475,000	1.000%	0.600%	182072 DA3
AR-2	9/1/2014	1,520,000	1.100%	1.100%	182072 DB1
AR-3	9/1/2015	1,535,000	1.350%	1.350%	182072 DC9
AR-4	9/1/2016	1,560,000	1.650%	1.650%	182072 DD7
AR-5	9/1/2017	1,585,000	2.000%	2.000%	182072 DE5
AR-6	9/1/2018	1,620,000	2.100%	2.100%	182072 DF2
AR-7	9/1/2019	925,000	2.200%	2.200%	182072 DG0

EXHIBIT A

[Forms of the Bond Purchase Agreement, the Tax Certificate, the Continuing Disclosure Agreement, the Preliminary Official Statement, the Rule 15c2-12 Certificate and the Registrar Agreement]

(See Bond Transcript Document Numbers 33, 27, 34, 31, 35 and 7 Respectively)

Cross Receipt

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned Robert Steptoe, Director, Capital Markets Group of CREWS & ASSOCIATES, INC. (the "Underwriter") and Patsy Trecost II, Mayor and Martin Howe, City Manager, respectively, of the CITY OF CLARKSBURG (the "Issuer"), for and on behalf of the Issuer, hereby certify this 26th day of April, 2013 as follows:

1. On the 26th day of April, 2013, in Clarksburg, West Virginia, the Underwriter received the entire original issue of $9,220,000 in aggregate principal amount of the City of Clarksburg Water Refunding Revenue Bonds, Series 2013 A (the "Series 2013 A Bonds" or "Bonds"). The Bonds, as so received on original issuance, are dated April 26, 2013, are in fully registered form, are numbered from AR-1 upward in order of maturity and are registered in the name of "CEDE & CO."

2. At the time of such receipt of the Bonds, they had been executed by Patsy Trecost II, as Mayor, and Martin Howe, as City Manager, of the Issuer by their manual signatures, and the official seal of the Issuer had been impressed upon each Bond and attested by Annette Wright as City Clerk of the Issuer by her manual signature, and had been authenticated by an authorized officer of WesBanco Bank, Inc., Wheeling, West Virginia, as Registrar.

3. The Issuer has received and hereby acknowledges receipt from the Underwriter, as the original purchaser of the Bonds, of the proceeds of the Bonds, as follows:

Par Amount of Series 2013 A Bonds	$9,220,000.00
Plus: Reoffering Premium	$655.50
Less: Underwriter's Discount	($230,500.00)
Total	$8,990,155.50

Series 2013 A Bonds proceeds in the amount of $8,990,155.50 was paid in immediately available funds (federal funds wire) and the uses are shown below:

Deposit to Series 2002 Bonds Prepayment Fund	$7,981,474.96
Fund the Series 2013 A Bonds Reserve Fund	$922,000.00
Cost of Issuance and Rounding Amount	$ 86,680.54
Total	$8,990,155.50

WITNESS our signatures on the day and year first written above.

CREWS & ASSOCIATES, INC.

By: _____
Its: Director

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

155510.00031

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

WesBanco Bank, Inc., as Registrar
1 Bank Plaza
Wheeling, West Virginia 26003

Ladies and Gentlemen:

There are delivered to you herewith (or have previously been delivered to you) as Registrar for the above-captioned Bonds on this 26th day of April, 2013:

1. Bonds No. AR-1 through AR-7 constituting the entire original issue of the City of Clarksburg Water Refunding Revenue Bonds, Series 2013 A dated April 26, 2013, in the aggregate principal amount of $9,220,000 (the "Bonds"), executed by the Mayor, City Manager and City Clerk of the City of Clarksburg (the "Issuer") and bearing the official seal of the Issuer. The Bonds are authorized to be issued under and pursuant to an Ordinance enacted by the Issuer on March 7, 2013, as supplemented by a Supplemental Parameters Resolution adopted by the Issuer on March 21, 2013 (collectively, the "Ordinance").

2. A copy of the Ordinance duly certified by the City Clerk.

3. Signed, unqualified approving opinions of Steptoe & Johnson PLLC, as bond counsel with respect to the Bonds.

4. Copies of such other documents, certificates and verifications as required by the Original Purchaser.

You are hereby requested and authorized, pursuant to Section 3.12 of the Ordinance, to authenticate, register and deliver the Bonds to the Depository Trust Company, New York, New York, for the account of Crews & Associates, Inc. as the Original Purchaser thereof.

Dated the day and year first written above.

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

155510.00031

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-1 $475,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS, SERIES 2013 A
(TAX-EXEMPT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
1.0%	September 1, 2013	April 26, 2013	182072 DA3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: FOUR HUNDRED SEVENTY FIVE THOUSAND AND 00/100 DOLLARS ($475,000)

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per

annum specified above, semiannually, on March 1 and September 1, in each year, beginning September 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Interest shall accrue on the Bonds based upon a 360 day year consisting of twelve months of thirty days each. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each February 15 and August 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $9,220,000 designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated April 26, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds"), (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on March 7, 2013, and supplemented by the supplemental resolution adopted by said Council on March 21, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer and the Clarksburg Water Board (the "Board") covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the waterworks system of the Issuer (the "System"), to provide a rate coverage equal to the highest rate coverage required by either (a) the ordinances authorizing the issuance of the Prior Bonds (the "Prior Ordinances") or (b) the Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds, and all obligations issued on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon, if any, shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as

required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

[Remainder of Page Intentionally Blank]

SPECIMEN

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

CITY OF CLARKSBURG

By: _____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

SPECIMEN
SPECIMEN
SPECIMEN
SPECIMEN

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: April 26, 2013.

WESBANCO BANK, INC.,
as Registrar

SPECIMEN

By _____
Its Authorized Officer

Document Number: 6244141

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-2 $1,520,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS, SERIES 2013 A
(TAX-EXEMPT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
1.10%	September 1, 2014	April 26, 2013	182072 DB1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION FIVE HUNDRED TWENTY THOUSAND AND 00/100 DOLLARS ($1,520,000)

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per

annum specified above, semiannually, on March 1 and September 1, in each year, beginning September 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Interest shall accrue on the Bonds based upon a 360 day year consisting of twelve months of thirty days each. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each February 15 and August 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $9,220,000 designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated April 26, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds"), (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on March 7, 2013, and supplemented by the supplemental resolution adopted by said Council on March 21, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer and the Clarksburg Water Board (the "Board") covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the waterworks system of the Issuer (the "System"), to provide a rate coverage equal to the highest rate coverage required by either (a) the ordinances authorizing the issuance of the Prior Bonds (the "Prior Ordinances") or (b) the Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds, and all obligations issued on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon, if any, shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as

required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

[Remainder of Page Intentionally Blank]

SPECIMEN

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

CITY OF CLARKSBURG

By: _____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

SPECIMEN

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: April 26, 2013.

WESBANCO BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-3 $1,535,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS, SERIES 2013 A
(TAX-EXEMPT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
1.35%	September 1, 2015	April 26, 2013	182072 DC9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION FIVE HUNDRED THIRTY FIVE THOUSAND AND 00/100 DOLLARS ($1,535,000)

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per

annum specified above, semiannually, on March 1 and September 1, in each year, beginning September 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Interest shall accrue on the Bonds based upon a 360 day year consisting of twelve months of thirty days each. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each February 15 and August 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $9,220,000 designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated April 26, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds"), (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on March 7, 2013, and supplemented by the supplemental resolution adopted by said Council on March 21, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer and the Clarksburg Water Board (the "Board") covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the waterworks system of the Issuer (the "System"), to provide a rate coverage equal to the highest rate coverage required by either (a) the ordinances authorizing the issuance of the Prior Bonds (the "Prior Ordinances") or (b) the Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds, and all obligations issued on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon, if any, shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as

required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

[Remainder of Page Intentionally Blank]

SPECIMEN

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

CITY OF CLARKSBURG

By: _____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

SPECIMEN
SPECIMEN
SPECIMEN

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: April 26, 2013.

WESBANCO BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

Document Number: 6244141

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Document Number: 6244141

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-4 $1,560,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS, SERIES 2013 A
(TAX-EXEMPT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
1.65%	September 1, 2016	April 26, 2013	182072 DD7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION FIVE HUNDRED SIXTY THOUSAND AND 00/100 DOLLARS ($1,560,000)

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per

annum specified above, semiannually, on March 1 and September 1, in each year, beginning September 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Interest shall accrue on the Bonds based upon a 360 day year consisting of twelve months of thirty days each. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each February 15 and August 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $9,220,000 designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated April 26, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds"), (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on March 7, 2013, and supplemented by the supplemental resolution adopted by said Council on March 21, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer and the Clarksburg Water Board (the "Board") covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the waterworks system of the Issuer (the "System"), to provide a rate coverage equal to the highest rate coverage required by either (a) the ordinances authorizing the issuance of the Prior Bonds (the "Prior Ordinances") or (b) the Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds, and all obligations issued on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon, if any, shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as

required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

[Remainder of Page Intentionally Blank]

SPECIMEN

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

CITY OF CLARKSBURG

SPECIMEN

By: _____
Mayor

SPECIMEN

_____
City Manager

ATTEST:

SPECIMEN

_____
City Clerk

Document Number: 6244161

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: April 26, 2013.

WESBANCO BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

Document Number: 6244161

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-5 $1,585,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS, SERIES 2013 A
(TAX-EXEMPT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
2.00%	September 1, 2017	April 26, 2013	182072 DE5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION FIVE HUNDRED EIGHTY FIVE THOUSAND AND 00/100 DOLLARS ($1,585,000)

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per

annum specified above, semiannually, on March 1 and September 1, in each year, beginning September 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Interest shall accrue on the Bonds based upon a 360 day year consisting of twelve months of thirty days each. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each February 15 and August 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $9,220,000 designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated April 26, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds"), (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on March 7, 2013, and supplemented by the supplemental resolution adopted by said Council on March 21, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer and the Clarksburg Water Board (the "Board") covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the waterworks system of the Issuer (the "System"), to provide a rate coverage equal to the highest rate coverage required by either (a) the ordinances authorizing the issuance of the Prior Bonds (the "Prior Ordinances") or (b) the Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds, and all obligations issued on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon, if any, shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as

required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

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SPECIMEN

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

CITY OF CLARKSBURG

SPECIMEN

By: _____
Mayor

SPECIMEN

_____
City Manager

ATTEST:

SPECIMEN

_____
City Clerk

Document Number: 6244161

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: April 26, 2013.

WESBANCO BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

Document Number: 6244161

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Document Number: 6244161

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-6 $1,620,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS, SERIES 2013 A
(TAX-EXEMPT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
2.10%	September 1, 2018	April 26, 2013	182072 DF2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION SIX HUNDRED TWENTY THOUSAND AND 00/100 DOLLARS ($1,620,000)

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per

annum specified above, semiannually, on March 1 and September 1, in each year, beginning September 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Interest shall accrue on the Bonds based upon a 360 day year consisting of twelve months of thirty days each. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each February 15 and August 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $9,220,000 designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated April 26, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds"), (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on March 7, 2013, and supplemented by the supplemental resolution adopted by said Council on March 21, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer and the Clarksburg Water Board (the "Board") covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the waterworks system of the Issuer (the "System"), to provide a rate coverage equal to the highest rate coverage required by either (a) the ordinances authorizing the issuance of the Prior Bonds (the "Prior Ordinances") or (b) the Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds, and all obligations issued on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon, if any, shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as

required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

[Remainder of Page Intentionally Blank]

SPECIMEN

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

CITY OF CLARKSBURG

SPECIMEN

By: _____
Mayor

SPECIMEN

_____
City Manager

ATTEST:

SPECIMEN

_____
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: April 26, 2013.

WESBANCO BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

Document Number: 6244184

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-7 $925,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS, SERIES 2013 A
(TAX-EXEMPT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
2.20%	September 1, 2019	April 26, 2013	182072 DG0

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: NINE HUNDRED TWENTY FIVE THOUSAND AND 00/100 DOLLARS ($925,000)

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per

annum specified above, semiannually, on March 1 and September 1, in each year, beginning September 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Interest shall accrue on the Bonds based upon a 360 day year consisting of twelve months of thirty days each. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each February 15 and August 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $9,220,000 designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated April 26, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds"), (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on March 7, 2013, and supplemented by the supplemental resolution adopted by said Council on March 21, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer and the Clarksburg Water Board (the "Board") covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the waterworks system of the Issuer (the "System"), to provide a rate coverage equal to the highest rate coverage required by either (a) the ordinances authorizing the issuance of the Prior Bonds (the "Prior Ordinances") or (b) the Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds, and all obligations issued on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon, if any, shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as

required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

[Remainder of Page Intentionally Blank]

SPECIMEN

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

CITY OF CLARKSBURG

By: _____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

SPECIMEN SPECIMEN SPECIMEN SPECIMEN

Document Number: 6244192

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: April 26, 2013.

WESBANCO BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

Document Number: 6244192

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

REGISTRAR AGREEMENT

THIS AGREEMENT, dated as of the 26th day of April, 2013, by and between the CITY OF CLARKSBURG, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and WESBANCO BANK, INC., Wheeling, West Virginia, a state banking corporation (the "Bank").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $9,220,000 aggregate principal amount of Water Refunding Revenue Bonds, Series 2013 A (the "Series 2013 A Bonds" or "Bonds"), in fully registered form pursuant to a Bond Ordinance enacted March 7, 2013, as supplemented by a Supplemental Parameters Resolution adopted March 21, 2013 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Agreement does appoint the Bank to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Agreement by the Issuer and the Bank and during the term hereof, the Bank does accept and shall have and agrees to perform all of the powers and duties of Registrar, as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the excludability from gross income of interest on the Series 2013 A Bonds for purposes of federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Bank 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 Bank'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 Bank 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 Agreement, the Issuer hereby agrees to pay to the Bank, the compensation for services rendered as provided in the annexed fee schedule and reimbursement for reasonable expenses incurred in connection therewith.

5. It is intended that this Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Bank each warrants and represents that it is duly authorized and empowered to execute and enter into this Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER:
City of Clarksburg
222 West Main Street
Clarksburg, West Virginia 26301
Attention: City Manager

REGISTRAR:
WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Corporate Trust Department

8. The Bank is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

9. 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 shall 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.

10. 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.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed in their respective names and on their behalf, all as of the day and year first above-written.

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

WESBANCO BANK, INC.

By: _____
Its: Authorized Officer

155510.00031

EXHIBIT A

Bond Legislation

[See Bond Transcript at Tab No. 1 and Tab No. 2]

FEE SCHEDULE

(On File with Issuer)

CHARTER OF THE CITY OF CLARKSBURG, WEST VIRGINIA

CHARTER

OF THE CITY OF

CLARKSBURG, WEST VIRGINIA

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CHARTER

OF THE CITY OF

CLARKSBURG, WEST VIRGINIA

SECTION 1. INCORPORATION.

The inhabitants of the City of Clarksburg, Harrison County, West Virginia, within the corporate limits thereof as now established or as may hereafter be established in the manner provided by law, shall be and continue in perpetuity to be a municipal body politic and corporate, under the name of the "City of Clarksburg," with all the powers of self-government granted by the constitution and laws of the state.

SECTION 2. SUCCESSION.

The City of Clarksburg, as successor in interest of the present municipal corporation of the same name, shall succeed to, own, possess and enjoy all the property and all the rights, titles and interest of every kind and nature vested in or belonging to such municipal corporation at the time this charter becomes effective, shall be subject to all existing liabilities, shall be bound by and through the appropriate agency shall pay all existing debts, and shall faithfully perform all present duties and discharge all present obligations of such corporation.

SECTION 3. FORM OF GOVERNMENT.

There is established by this charter the council-manager form of municipal government, as prescribed in sections five and five-a, article three, chapter eight-a of the official code of West Virginia, as amended. Except as otherwise provided in this charter, the council shall be the governing authority of the city, and shall appoint the city manager who shall execute the laws and administer the government of the city, except as otherwise provided herein.

SECTION 4. POWERS OF CITY.

The city shall have all the powers specifically provided for in this charter, and shall also have all the powers now or hereafter granted to municipal corporations and to cities of its class by the constitution and general laws of the state, together with all the implied powers necessary and proper to carry into execution the powers so granted. The enumeration herein of particular powers shall not be deemed exclusive, but the city shall have and may exercise all the powers which under the constitution and laws of the state might properly be specifically enumerated in this charter.

SECTION 5. THE COUNCIL; QUALIFICATIONS, TERM OF OFFICE, AND SALARY OF MEMBERS; SELECTION OF MAYOR; VACANCIES.

The council shall consist of seven members to be elected at large by the qualified voters of the city for terms of four years beginning on the first day of July following their election, except that of the seven councilmen elected at the first election held under the provisions of this charter the three receiving the smallest numbers of votes shall be elected for terms of two years. At each regular election thereafter either three or four councilmen, as the case may be, shall be elected to succeed the incumbent members whose terms of office expire on the thirtieth day of June following the election. The terms of office of all councilmen in office on the date this charter is adopted shall continue until the close of business on the thirtieth day of June following the first regular election held hereunder.

Councilmen shall be qualified voters of the city, shall have been residents of the city for at least one year prior to their nomination for the office, shall hold no other public office except that of notary public or member of the national guard or naval or military reserve, and shall not be employed by the city in any capacity. If a councilman shall cease to be qualified or shall be convicted of any crime involving moral turpitude, his office shall immediately become vacant.

A special meeting of the council shall be held at 7:30 p.m. on the first day of July following each regular city election. Following the selection of a temporary chairman, the newly elected councilmen shall be inducted into office. The council shall then elect one of its members to serve as mayor for a term of two years. The mayor shall preside at meetings of the council and shall be recognized as the head of the city government for all ceremonial and military purposes, but shall have no regular administrative duties.

The salary of the mayor and council shall be fixed by ordinance.

If any vacancy occurs in the office of councilman, the council shall within thirty days by the affirmative vote of at least four members appoint a qualified person to fill the vacancy for the unexpired term. If the vacancy is not so filled within thirty days after it occurs, then of the unsuccessful candidates for the office of councilman at the last election, who are still qualified and willing to serve, the one who received more votes than any of the others shall be entitled to the office. If the vacancy is not filled by either of these methods, it shall be filled at a special election to be held on a date not more than four months after the vacancy occurs. In the resolution calling the special election, the council shall specify procedures for the conduct of the election, and dates for the circulation and filing of nominating petitions and for the holding of the election, which shall conform as nearly as may be practicable to the procedures and schedule established by this charter for regular city elections.
(Amended 6-1-93)

SECTION 6. MEETINGS OF THE COUNCIL; RULES OF PROCEDURE; JOURNAL.

Regular meetings of the council shall be held at 7:30 p.m. on the first and third Mondays of each month, or on such other stated days as the council may by ordinance prescribe. Special meetings may be held at any time upon call of the mayor or any three councilmen and upon such notice as the council may by rule prescribe. All meetings of the council shall be open to the public.

Four members of the council shall constitute a quorum. The mayor shall be entitled to vote on all matters before the council. The council shall by resolution adopt by-laws prescribing its own rules, procedure, and order of business, and shall keep a journal of all of its proceedings, which shall be available for public inspection.

SECTION 7. POWERS OF THE COUNCIL; APPOINTMENT AND TENURE OF CITY MANAGER.

Subject to any limitations imposed by the constitution and general laws of the state, all powers of the city shall be vested in and exercised by the council, except such powers as are by this charter specifically vested in the water board and such powers as are by general law vested in the other boards or commissions provided for in this charter or hereafter created by council pursuant to general law. No franchise granted by the council may be transferred in whole or in part without the written consent of council.

The council shall appoint a city manager to serve for an indefinite term, and may at any time remove him from office by the affirmative vote of not less than four of its members. At least thirty days before such removal shall become effective, the council shall adopt a preliminary resolution stating the reasons for his removal, and specifying the date on which his removal shall become final. At any time within ten days after the adoption of such resolution, upon the written request of the manager, he shall be afforded an opportunity to be heard at a public meeting of the council, which shall be held no earlier than ten nor later than twenty days after the request was made, and at a time and place to be fixed by council. After such public hearing if one is requested, after full consideration, the council by the affirmative vote of four of its members may adopt a final resolution of removal. By the preliminary resolution the council may suspend the manager with pay for a period not to exceed thirty days, and may designate some other person to perform the duties of the manager during the period of his suspension.

The city manager shall be a person of proved executive and administrative ability, preferably with experience and training in the field of city management. At the time of his appointment he need not be a resident of the city or state, but during his tenure of office shall reside within the city. No councilman, during his term and for a year thereafter, shall be eligible for appointment as city manager.

Neither the council nor any of its members shall direct or in any manner interfere with or obstruct the appointment or removal of any city officer or employee by the city manager or by any of his subordinates. Except for the purpose of inquiry, the council and its members shall deal with the administrative service solely through the city manager and neither the council nor any member thereof shall give orders to any subordinates of the city manager, either publicly or privately. If any councilman shall violate the provisions of this section, he shall be subject to removal from office in the manner provided for the removal of municipal officers in section seven, article six, chapter six of the official code of West Virginia, as amended.

Except as otherwise provided by this charter, and within the limitations imposed by the constitution and general laws of the state, the council may determine the powers and duties of city officers, and subject to the requirements of general law may regulate the number, method of selection, qualifications, tenure, and compensation of city officers and employees, including the establishment of civil service for such employees.

SECTION 8. POWERS AND DUTIES OF CITY MANAGER.

Except as otherwise provided in the charter, the city manager shall be the head of the administrative branch of the city government. He shall be responsible to the council for the proper and efficient administration of all affairs of the city under his authority, and to that end, except as otherwise provided in this charter, he shall have the power and shall be required to:

(1) Appoint and, when he deems it necessary or advisable, remove all officers and employees of the city except as otherwise provided by this charter or by general law, and except as he may authorize the head of a department or office to appoint and remove subordinates in such department or office.

(2) Prepare the annual budget, submit it to the council for adoption, and be responsible for its administration after adoption.

(3) Prepare and submit to the council as of the end of each fiscal year a complete report on the finances and administrative activities of the city for the preceding year.

(4) Advise the council with respect to future plans and physical needs, and keep it informed concerning the current financial condition of the city.

(5) Require the chief of police and the chief of the fire department to establish for their respective departments a course of training designed to promote the more efficient and safe operation of their departments.

(6) Execute on behalf of the city all legal and other written documents requiring execution by the chief executive officer of the city, acknowledge the same if necessary, and perform all other acts and duties required of the chief executive officer of the city.

(7) Perform such other duties as may be required of him by this charter, by general law, or by order of the council not inconsistent with this charter or with general law.

The manager may by letter filed with the city clerk designate some qualified administrative officer of the city to perform the duties of the manager during his temporary absence or disability. If the manager fails to make such designation, the council may by resolution appoint an officer of the city to act for the manager during his absence or disability.

SECTION 9. CITY CLERK.

The council shall appoint a resident of the city to serve as city clerk at the will and pleasure of the council. Except as otherwise provided in this charter and subject to the supervision of the city manager, the clerk shall have the power and it shall be his duty to:

(1) Give notice of and attend all meetings of the council, keep the journal of its proceedings, authenticate by his signature and record in full in a book kept for the purpose all ordinances and resolutions of the council, prepare and keep up to date an index of all such ordinances and resolutions, and keep all such records available for public inspection when not in use.

(2) Make and certify copies of any ordinance, resolution or order of the council whenever required to do so, and affix the corporate seal of the city to any paper required to be sealed and to any certified copy of any paper, order or proceeding which he may make.

(3) Prepare and cause to be served all notices required to be given to any person, firm or corporation, and after the proper service and return of any notice he shall file and preserve the same.

(4) Have custody of and keep available for public inspection the permanent records of the city and file and properly index all records of such city officers and departments as the city manager may direct.

(5) Perform such other duties as may be required of him by this charter, by general law, or by city ordinance or order of the city manager not inconsistent with this charter or with general law.

SECTION 10. POLICE COURT AND JUDGE; JURISDICTION; PRACTICE AND PROCEDURE.

The police court now existing shall be continued and shall have criminal jurisdiction over violations of city ordinances and the criminal jurisdiction of a justice of the peace with respect to offenses committed within any territory within or beyond the city limits over which the city has police jurisdiction under provisions of general law. The sessions of the court shall be held at such times and places as the council by ordinance or resolution may direct.

The judge of the police court shall be a resident of Harrison County and a member in good standing of the Harrison County Bar. He shall be appointed by the city manager to serve for an indefinite term. In the event of the temporary absence or disability of the regular judge, the city manager shall appoint some other qualified person to serve as judge of the police court. During the period of such temporary service the salary of the regular judge shall be transferred and paid to the temporary judge, except that both shall be paid during the customary vacation period granted to the regular judge.

The judge shall issue warrants upon complaint under oath of any person or officer for the arrest of anyone charged with any offense within the jurisdiction of the police court. He shall try and determine all cases over which the court has jurisdiction, and within the limits prescribed by ordinance or by law shall punish by fine or imprisonment, or both, any person convicted of any offense. He shall have power to summon witnesses for the trial of any case before him, to compel the attendance of police officers of the city, to require of the chief of police the enforcement of all judgments or orders entered by him in the exercise of his powers as police judge, and to issue executions for all fines, penalties and costs imposed by him.

The proceedings for the recovery of fines or for the enforcement of penalties fixed by any ordinance or law shall conform to the regulations, so far as they are applicable, prescribed by general law for civil proceedings before justices of the peace. The police judge, however, for good cause shown by affidavit, may order by an endorsement upon the summons that any defendant be arrested and brought before the court to be dealt with according to law.

All processes and orders of the police court shall be signed by the police judge and shall be directed to the chief of police, to be executed by him or by one of his subordinates. The police officer executing any such process or order shall have the same powers, be governed by the same rules of law and be subject to the same liabilities as sheriffs in the performance of like services. There may be charged for the services of such officer the same fees as the sheriff is entitled to charge for like services, but no such charge shall be made against the city. All such fees as well as all fines and penalties imposed by the court shall be collected by the chief of police, and accounted for and paid by him into the treasury of the city.

In the discharge of his duties and in the trial of cases the judge of the police court shall follow the rules prescribed by law for criminal proceedings before a justice of the peace, except that all cases shall be tried by the judge without a jury. The judge shall keep a record of all warrants issued by him, of all persons arrested and brought before him, and of all trials, fines or sentences imposed, or judgments entered by him, in a permanent book to be known as the police court docket. A record of all entries made in the docket each day shall be signed by the judge at the close of the day.

In cases where the evidence discloses such a violation of the laws of the state that in the opinion of the police judge the person accused should be committed to await action by the grand jury, the judge shall have the same jurisdiction and power as a justice of the peace in regard to the apprehension, commitment and admission to bail of the person so accused.

A person convicted in the police court shall have the same right to an appeal and a trial de novo as is provided by law for appeals from justice of the peace courts.

SECTION 11. CITY ATTORNEY.

The city attorney shall be a resident of Harrison County and a member in good standing of the Harrison County Bar. He shall be appointed by the city manager to serve for an indefinite term. He shall perform all duties and exercise all powers which shall be conferred upon him by any ordinance or resolution of the council and, except as otherwise provided in this charter, he shall have the power and it shall be his duty to:

(1) Act as legal adviser and counsel for the city council and for all administrative boards and officers thereof with respect to their official duties. Upon request, he shall furnish to the city council or to such officers a written opinion upon any question concerning their respective powers and duties.

(2) Prosecute and defend all suits for or against the city, and prepare all ordinances and all contracts, bonds or other writings in which the city is concerned, and endorse on each his approval of the form and correctness thereof.

(3) Prosecute all cases brought before or appealed from the police court, and perform the same duties so far as they are applicable thereto as are required by law of prosecuting attorneys.

Whenever the exigencies of the business of the city require such action, the city manager shall have the right to employ special counsel to assist the city attorney.

SECTION 12. ADMINISTRATIVE OFFICES AND DEPARTMENTS.

There shall be in the city government a police department, a fire department, a department of public works, a department of finance, and such other administrative departments as now exist or may by ordinance be created by the council. The city manager shall appoint as the head of each department a chief, supervisor or director, who shall be responsible for the efficient administration of the department, subject to the supervision and control of the manager. Except as otherwise provided by this charter or by general law, the head of a department need not be a resident of the city or state at the time of his appointment, but during his tenure of office shall reside in Harrison County.

The council may by ordinance create, combine, change or abolish offices, departments or agencies, other than those established by this charter. Except as otherwise provided in this charter, the council may assign additional functions or duties to any office, department or agency created by it or by this charter, but may not discontinue or transfer any function or duty assigned by this charter to any particular office, department or agency.

SECTION 13. CHIEF OF POLICE.

The chief of police shall be appointed by the city manager to serve for an indefinite term. The chief of police shall be a resident of the state and shall be a person of proved executive and administrative ability, with experience or training in law enforcement. Subject to the direction and control of the city manager, the chief of police shall be responsible for the supervision and administration of the police department, and shall require of all police officers the proper discharge of their duties. He shall see to the protection of property and the preservation of peace, order and public safety throughout the city, and to that end he shall cause all violators of city ordinances and of general law to be apprehended and brought to trial before the police court or other proper tribunal. Under the direction of the city manager, he shall also perform such other duties as may be required of him by this charter, by general law or by city ordinance or order of the city manager not inconsistent with this charter or with general law.

SECTION 14. CHIEF OF FIRE DEPARTMENT.

The chief of the fire department shall be appointed by the city manager to serve for an indefinite term. The chief of the fire department shall be a person of proved executive and administrative ability, with experience or training in the suppression and prevention of fires. Subject to the direction and control of the city manager, the chief of the fire department shall be responsible for the supervision and administration of the fire department, and shall require of all firemen the proper discharge of their duties. He shall make such inspections of buildings and property throughout the city as may be necessary to discover fire hazards, shall take all proper measures to eliminate such hazards, and shall keep an accurate record of all fires, inspections and fire hazards within the city. Under the direction of the city manager, he shall also perform such other duties as may be required of him by this charter, by general law, or by city ordinance or order of the city manager not inconsistent with this charter or with general law.

SECTION 15. DIRECTOR OF PUBLIC WORKS.

The city manager shall appoint a director of public works, who shall be a registered civil engineer, to serve for an indefinite term. Subject to the direction and control of the city manager, the director of public works shall be responsible for the supervision and administration of the department of public works.

In addition, except as otherwise provided in this charter and subject to the supervision of the city manager, he shall have the power and it shall be his duty to:

(1) Inspect the construction or repair of all buildings, the installation of all electrical wiring or equipment, and the installation of all plumbing, to the extent that such activities are controlled or regulated by the city, for the purpose of seeing that all city regulations are obeyed.

(2) Issue permits for the construction or repair of homes and other buildings upon the payment of such fee as may be fixed by council, but he shall issue no such permit unless the proposed construction or repair is in conformity with city zoning laws and regulations.

(3) Supervise all work done by any contractor for the city while the work is being performed.

(4) Make surveys, fix grades, and prepare plats, plans and specifications for all improvements which may be undertaken by the city, when required to do so by the city manager.

(5) Furnish on the demand of any resident the grade of any street or sewer upon the payment of such fee as may be fixed by council.

(6) Make complete maps of all streets, alleys, lanes, parks and public property owned by the city, keep such maps on file in his office and available for public inspection, and furnish a copy thereof to the city manager.

(7) Require that all pavements, sidewalks, curbs, gutters and sewers in the city are kept clean and repaired.

(8) Perform such other duties as may be required of him by this charter, by general law, or by city ordinance or order of the city manager not inconsistent with this charter or with general law.

SECTION 16. DIRECTOR OF FINANCE.

The city manager shall appoint a director of finance, who shall be a person experienced in accounting and budgeting, to serve for an indefinite term.

Under the direction and control of the city manager and subject to the provisions of this charter, the director of finance shall be responsible for the proper administration of the financial affairs of the city, and except as otherwise provided by this charter or by general law shall have the power and shall be required to:

(1) Collect all taxes, special assessments, license fees and other revenues of the city, and receive all other moneys payable to the city.

(2) Have custody of all funds of the city or of any office, department or agency thereof, and deposit such funds in the bank or banks designated by the council.

(3) Supervise the purchase, storage and distribution of all equipment and supplies used by any office, department or agency of the city.

(4) Supervise the receipt and disbursement of all moneys and control all expenditures to ensure that budget appropriations are not exceeded. No proposed

expenditure shall be made unless the director of finance shall certify that there is available for the purpose an unencumbered balance in the proper item of appropriation.

(5) Maintain a general accounting system for the city and each of its offices, departments and agencies, and keep a separate account for each item of appropriation in the budget, showing the total appropriation, the amounts paid therefrom, the unpaid obligations charged thereto, and the unencumbered balance.

(6) Prepare for submission to the council by the city manager a cumulative monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the city and each of its offices, departments and agencies.

(7) Prepare for submission to the council by the city manager a complete financial statement and report as of the end of each fiscal year.

(8) Compile for use by the city manager in the preparation of the budget an estimate of anticipated revenues during the coming year and an estimate of probable expenditures for current expenses and capital improvements.

(9) Perform such other duties as may be required of him by this charter, by general law, or by city ordinance or order of the city manager not inconsistent with this charter or with general law.

SECTION 17. BUDGET AND BUDGET MESSAGE; PUBLIC HEARING; ADOPTION AND REVISION.

The fiscal and budget year of the city shall begin on the 1st day of July and shall end on the 30th day of June of each calendar year. The budget for each succeeding fiscal year submitted and amended as provided in this section, shall be adopted by the council not later than the 28th day of March of the then current fiscal year.

Not later than the 1st day of March of each year, the city manager shall submit to the council a budget for the next fiscal year, together with a budget message which shall contain an outline of the proposed financial operation of the city for the coming year, shall describe the important features of the budget plan, and shall set forth the reasons for the salient changes from the previous year in cost and revenue items. The budget prepared by the city manager shall not cover the financial operations of the water department. In respect to proposed appropriations for capital improvements, there shall be included in the budget message, or attached thereto, a program and schedule of capital projects recommended by the city planning commission for the next five fiscal years. A copy of the budget and budget message, and all supporting documents, shall at the same time the budget is submitted to the council be filed with the city clerk as a public record, and shall be available for inspection by any interested person.

The budget shall provide a complete financial plan for the budget year, including any estimate of any anticipated surplus at the beginning of the year, an estimate of anticipated revenues from all sources during the year, and a detailed estimate of proposed appropriations for expenditure during the year by each office, department, and agency of the city. The total of appropriations of the budget as submitted by the manager or as adopted by the council shall not exceed the sum of estimated revenues and surplus.

At a regular or special meeting of council between the 7th and 28th days of March of each year, there shall be a public hearing on the proposed budget, at which time all interested persons shall be given an opportunity to be heard for or against any estimate of revenue or any item of appropriation contained therein. At said meeting, council shall ascertain the fiscal condition of the corporation, and make an itemized statement setting forth:

(1) The amount due and the amount that will become due and collectible from every source during the current fiscal year except from the levy of taxes to be made for the year;

(2) The interest, sinking fund and amortization requirements for the fiscal year of bonded indebtedness, legally incurred upon a vote of the people as provided by law, prior to the adoption of the tax limitation amendment;

(3) Other contractual indebtedness, not bonded, legally incurred prior to the adoption of the tax limitation amendment, owing by the municipality;

(4) All other expenditures to be paid out of the receipts of the municipality for the current fiscal year with proper allowance for delinquent taxes, exonerations, and contingencies;

(5) The total amount necessary to be raised by the levy of taxes for the current fiscal year;

(6) The proposed rate of levy in cents on each one hundred dollars assessed valuation of each class of property; and

(7) The separate and aggregate assessed valuations of real, personal and public utility property in each class in the municipality.

The recording officer of the municipality shall forward immediately a certified copy of the statement to the tax commissioner, and shall publish the statement forthwith. The session shall then stand adjourned until the 3rd Tuesday in April, at which time it shall reconvene.

The council shall, when it reconvenes upon the 3rd Tuesday in April, hear and consider any objections made orally or in writing by the city attorney, by the tax commissioner or his representative, or by any taxpayer of the city, for the estimate and proposed levy, or to any item thereof. Council shall enter of record any objections so made and the reasons and grounds therefor. The council, after hearing objections, shall reconsider the proposed original estimate and proposed rates of levy, and if the objections are well taken, shall correct the estimate and levy. No such estimate and levy, however, shall be entered until the same shall have first been approved, in writing, by the tax commissioner. When the same shall have been approved by the tax commissioner, the clerk shall then enter the estimate and levy, together with the order of the council approving them and the written approval of the tax commissioner thereof, in the proper record book.

In addition to the provisions set forth herein, council shall be subject to the requirements contained in Chapter 11, Article 8, Section 1, et seq. of the West Virginia Code, as amended, as the same may apply to municipal corporations.

After the beginning of the fiscal year, the council shall make only such changes in the budget as may be required because of action taken by the state tax commissioner in respect to the proposed tax levy of the city or as may be permitted or required by general law. Thereafter, the council shall make no other changes in the budget unless permitted or required to do so by general law. After the final adoption of the budget, the several amounts stated therein as proposed appropriation shall be appropriated to the specified objects and purposes. Except as otherwise provided by general law, the city manager may at any time transfer any unencumbered appropriation balance of an appropriated line item from that line item to another line item with the same account category established by the state tax commissioner, subject to the approval of city council. No transfers from one account category to another may be made without revision of the budget and approval by the tax commissioner pursuant to Chapter 11, Article 8, Section 1, et seq.

For the purposes of accounting for the budget, the modified accrual basis of accounting will be used,or any other basis of accounting required by the state tax commissioner. The ending unencumbered balance at the end of the fiscal year shall be the starting unencumbered balance for the new fiscal year.

In addition to the foregoing, council and the city manager shall comply with all applicable federal and state laws which in any way relate to the governing of the financial affairs of a municipal corporation.
(Amended 6-1-93)

SECTION 18. BONDS OF OFFICERS AND EMPLOYEES; AUDITS AND ACCOUNTS.

The chief of police and every member of the police department, and every officer and employee of the city into whose custody or control shall come any of the moneys or funds of the city shall before entering upon the discharge of his duties give a bond with corporate surety conditioned upon the faithful discharge of his duties and the faithful accounting for all moneys or funds coming into his hands by reason of his office or employment. The amount of the bond shall be fixed by resolution of the council or, in the case of officers and employees of the water department, by resolution of the water board. As required by law, all bonds shall be payable to

the State of West Virginia and shall as to form and substance be subject to the approval of the city attorney, evidenced by his signed endorsement on each bond. All bonds when executed and approved shall be recorded in a book kept for that purpose by the city clerk, who is hereby made custodian of all such bonds. At the annual audit made by the state tax commissioner, the auditor shall report to the city council and to the water board respectively whether the required bonds are in any respect insufficient, and may require of any official or employee a new or additional bond. Any new or additional bond so required shall be given within thirty days after notice of such requirement, and a failure to give such bond shall at the expiration of thirty days work a forfeiture of the office or employment of the official or employee failing to give the same. The premium on all bonds given as provided in the section shall be paid from the appropriate fund of the city.

The council by resolution shall provide for such system of collecting, disbursing, budgeting, auditing, accounting and record-keeping, not inconsistent with other provisions of this charter, as may in its opinion be necessary or desirable.

In addition to the regular annual audit made by the state tax commissioner, the council may at any time it is deemed necessary employ qualified public accountants to make a special independent audit of the finances of the city or of the accounts of any city officer, department or agency, other than the accounts of the water board.

SECTION 19. BOARD OF PARK COMMISSIONERS; SUPERINTENDENT OF PARKS AND RECREATION.

The board of park commissioners heretofore created and now existing shall be continued. As authorized under the provisions of chapter ninety-one, acts of the legislature, regular session, one thousand nine hundred thirty-nine, as amended, the city council shall by ordinance provide that the board shall consist of five members, and shall also provide that the members shall be appointed by the council. Of the four members first appointed after the membership has been increased from three to five, two shall be appointed for terms of two years and two for terms of six years. Thereafter all appointments shall be for terms of six years. The members of the board in office on the date this charter becomes effective shall, unless sooner removed, continue to serve until their respective terms expire and their successors have been appointed.

The board shall have the powers and shall perform the duties conferred and required by general law. More particularly, the board shall be charged with the responsibility of providing public parks, playgrounds, athletic fields, swimming pools and other recreational facilities, and of providing an adequate recreational program for the inhabitants of the city. The board shall appoint a superintendent of parks and recreation, who shall be a person of proved executive and administrative ability, with experience or professional training in physical education and community recreation. At the time of his appointment he need not be a resident of the city or state, but during his tenure of office shall reside in Harrison County.

The council shall provide and allocate in the annual city budget sufficient funds for the operation and maintenance of an adequate system of city parks and recreational facilities and of an adequate recreational program.

As provided by law, the board may in its own name accept and disburse any funds it may receive by gift, bequest or devise for park or recreational purposes.

SECTION 20. BOARD OF DIRECTORS OF PUBLIC LIBRARY.

The board of directors of the public library heretofore created and now existing shall be continued. The members of the board in office on the date this charter as amended becomes effective, shall unless sooner removed, continue to serve until their respective terms expire and their successors are appointed. The five members of the board shall be appointed, in

accordance with the provisions of Chapter 10, Article I of the official Code of West Virginia as amended. Future appointments to the board of directors of the public library shall be made as follows: The Harrison county commission shall appoint a person to a five-year term beginning July 1, 1983, and such person so appointed shall reside outside the city limits of the city of Clarksburg; the Clarksburg city council shall appoint a person to a five-year term beginning July 1, 1984, and said person shall reside within the city of Clarksburg; the Harrison county board of education shall appoint a person to a five-year term beginning July 1, 1985, and said person shall reside outside the corporate limits of the city of Clarksburg. The Clarksburg city council shall appoint a person to a five-year term beginning on July 1, 1986 and July 1, 1987, and such person shall reside within the corporate limits of the city of Clarksburg, West Virginia.

The board of directors shall have the powers and shall perform all the duties conferred and required by general law.

The Clarksburg city council, the Harrison county commission and the Harrison county board of education shall jointly provide sufficient funds in their respective budgets for the adequate operation, maintenance and repair of the Clarksburg-Harrison county public library, and transfer such funds to the board of directors.

The board shall be known as the Clarksburg-Harrison county public library.

This charter amendment will not become effective until formal action is taken by the Harrison county commission and the Harrison county board of education agreeing to join with the city of Clarksburg in creating the new Clarksburg-Harrison county public library board. (Ord. 83-17. Passed 7-21-83.)

SECTION 21. CITY PLANNING COMMISSION; ZONING COMMISSION AND BOARD OF ADJUSTMENT.

The council shall provide for the establishment and the financial support of a city planning commission as provided in article five, chapter eight of the official code of West Virginia, as amended. The commission shall be composed of eleven members, who shall be nominated by the city manager and confirmed by the council. The members of the commission shall be freeholders of the city. The commission shall have the powers and shall perform the duties prescribed by general law. It shall be the responsibility of the commission to prepare comprehensive plans for the future development of the city, including recommendations concerning needed streets, bridges, parks, parkways, playgrounds, public buildings, and other public improvements. Such plans and recommendations shall be submitted to the city manager and to the council and other appropriate agencies of the city for such action as the council or other agencies may deem proper. In addition, the commission shall submit annually to the city manager, not less than ninety days prior to the beginning of the budget year, a list of recommended capital improvements which in the opinion of the commission are necessary or desirable to be constructed during the forthcoming five year period. Such list shall be arranged in order of preference, with recommendations as to which projects shall be constructed in which year.

The planning commission shall also act as the zoning commission and as such shall have the authority and shall perform the duties prescribed by general law, including the authority and duty to prepare and recommend to council for enactment any revisions or amendments of the city zoning ordinance it may deem advisable. The council shall in the manner prescribed by law provide for a board of adjustment which shall hear all appeals arising in connection with the enforcement of the city zoning ordinance.

SECTION 22. PUBLIC HEALTH UNIT.

The city council either by itself or in conjunction with one or more other political subdivisions shall in the manner provided by law establish and maintain a public health unit. The public health unit so established shall have the powers and shall perform the duties prescribed by general law.

SECTION 23. SANITARY BOARD.

The council shall provide for the establishment of a sanitary board which shall have the powers and shall perform the duties prescribed by general law with respect to the construction, operation and maintenance of sewage disposal facilities. The sanitary board shall be composed of the city manager, who shall be the chairman of the board, and two other persons appointed by the council, one of whom shall be a registered professional engineer.

SECTION 24. PARKING AUTHORITY.

The parking authority heretofore created and now existing shall be continued. The parking authority shall have the power and the responsibility to establish, operate and finance automobile parking facilities for the city, as provided in article four-a, chapter eight of the official code of West Virginia, as amended.

SECTION 25. THE WATER BOARD; CONTINUANCE; QUALIFICATIONS, TERM OF OFFICE, AND SALARY OF MEMBERS; SELECTION OF PRESIDENT; VACANCIES.

The Water Board of the City in existence on the date this charter is adopted shall be continued. The Water Board shall consist of three members to be elected at large by the qualified voters of the City for terms of four years beginning on the first day of July following their election. The terms of office of all members of the Water Board in office on the date this charter is adopted shall continue until the close of business on the thirtieth day of June following the date on which their terms of office would otherwise expire. At the first election held under the provisions of this charter one member of the Water Board shall be elected. At each regular election thereafter either one or two members of the Board, as the case may be, shall be elected to succeed the incumbent member or members whose term of office expires on the thirtieth day of June following the election.

Members of the Water Board shall be qualified voters of the City, shall have been residents of the City for at least one year prior to their nomination for the office, shall hold no other public office except that of notary public or member of the National Guard or naval or military reserve, and shall not be employed by the City in any capacity. If a member of the Board shall cease to be qualified or shall be convicted of any crime involving moral turpitude, his office shall immediately become vacant.

A special meeting of the Water Board shall be held at 7:30 p.m. on the first day of July following each regular City election. Following the selection of a temporary chairman the newly elected member or members of the Water Board shall first be inducted into office. The Board shall then elect one of its members to serve as President for a term of two years.

The salary of each member of the Clarksburg Water Board shall be fixed by ordinance. If any vacancy occurs on the Water Board, the Board shall within thirty days appoint a qualified person to fill the vacancy for the unexpired term. If the vacancy is not so filled within thirty days after it occurs, then of the unsuccessful candidates for the office of member of the Water Board at the last election, who are still qualified and willing to serve, the one who received more votes than any of the others shall be entitled to the office. If the vacancy is not filled by either of these methods, it shall be filled at a special election to be held on a date not more than four months after the vacancy occurs. In the resolution calling the special election, the Council shall specify procedures for the conduct of the election, and dates for circulation and filing of nominating petitions and for the holding of the election, which shall conform as nearly as may be practicable to the procedures and schedule established by this charter for regular City elections. (Ord. 02-20. Passed 8-1-02.)

SECTION 26. MEETINGS OF THE WATER BOARD; RULES OF PROCEDURE; JOURNAL.

Regular meetings of the Water Board shall be held at least once a month, on such day and at such time as the Board may by published resolution prescribe. Special meetings may be held at any time upon call by the President or any two members and upon such notice as the Board may by rule prescribe. All meetings of the Board shall be open to the public.

Two members of the Board shall constitute a quorum. The President shall be entitled to vote on all matters before the Board.

The Board shall by resolution adopt by-laws prescribing its own rules, procedure, and order of business, and shall keep a journal of all of its proceedings, which shall be available for public inspection. (Ord. 02-21. Passed 8-1-02.)

SECTION 27. GENERAL POWERS OF THE WATER BOARD.

All of the powers now or hereafter conferred upon municipalities by the laws of the state for the operation of a water system, and all powers and duties of the city pertaining to the construction, acquisition, establishment, improvement, operation, management, maintenance, and repair of the municipal water system, and the determination of all matters of policy with respect thereto, are vested in and shall be exercised by the water board. The water board shall have full and exclusive jurisdiction of the exercise and discharge of such municipal powers so conferred upon it, independent of control by the council and the city manager. The city council shall upon request of the water board enact such ordinances, enter such orders, and adopt such resolutions as may be required by law in connection with the issuance of any water works revenue bonds, the acquisition by purchase or condemnation of any property needed for the proper operation of the water department, or the transaction of any other business of the water board.

In addition to the general powers mentioned in the preceding paragraph, and without any limitation upon such powers, the water board subject to provisions of general law shall have the following authority and shall perform the following duties:

(1) Fix, regulate and change rates and charges for water supplied to all consumers; adopt and prescribe reasonable rules and regulations which shall be observed by all consumers in reference to the use and consumption of water taken from the city mains, the terms and conditions upon which connection to the mains shall be permitted, and the place and manner of making the same; fix penalties by way of additional charges for failure to pay water bills promptly, and to this end the board may discontinue the supply of water to any consumer who fails to pay for the same as required; require all users of water for temporary purposes to pay for the privilege in advance; refuse to furnish water to any building or habitation unless the owner thereof shall assume liability for the payment of the charges for the water so furnished, and charge to and collect from the owner the cost of water furnished to any tenant or occupant of such building or habitation not paid for by the tenant or occupant; charge the cost of installing water service lines from the curb line to the main against the landowner, and require payment in advance for

installing and connecting such line with the water main. The powers of the water board to fix and charge rates for water and water service and to make rules and regulations governing the supply of such water and water service shall be subject to the supervision, regulation and control of the Public Service Commission of the state to the extent and in the manner now or hereafter prescribed by general law.

(2) Whenever the city council shall determine to pave or repave any street in the city, the water board is authorized to make a proper connection and lay a water service line from the main to the curb for each and every lot or for any part of a lot under separate ownership, although no water service may, at any time be necessary or required for any such lot or part of lot, and to charge the cost of making such connection and laying such water service line against the owner of the property. The cost of laying such water service lines and making such connections shall in every instance be a lien upon the lot or part of lot to be benefitted thereby, and the water board shall have the right, in the name of the city, to institute and prosecute any proper suit in the circuit court of Harrison County for the collection of such charges by a sale of the property on which the same constitutes a lien. Whenever the council decides to pave or repave any street, it shall be the duty of the water board to lay necessary water mains and service lines as soon as may be practicable in order not to delay the paving program. In order to coordinate the making of such improvements it shall be the duty of both the council and the water board to cooperate with each other in making plans for such improvements or repairs, and to keep each other informed concerning future needs and plans.

(3) The board shall have power from time to time to repair, extend and amplify the water works plant and system, and to make such additions to the pumping station, filtration plant and water mains and lines as may at any time be deemed necessary for the proper operation of the system.

(4) The water board shall require the general manager to examine the sources of water supply for the city and to report to the board from time to time whether the waters are being polluted. The water board may, in the name of the city, institute and prosecute in any court having jurisdiction any legal action, civil or criminal, necessary to enjoin any person, firm or corporation from continuing any nuisance caused by such pollution or to prohibit the violation of any city ordinance or of any provision of general law concerning pollution or concerning the protection of the city water supply.

(5) Whenever the city shall in the manner prescribed by law provide for the imposition of a sewage service charge based on the consumption of water upon the customers of the water department, it shall be the duty of the water board to add the charge to the water bills and collect the same. All sewage charges collected by the water board shall be accounted for monthly and paid into the operating fund of the sanitary board. The sanitary board shall pay any additional cost incurred by the water board in the collection of sewage charges.

SECTION 28. APPOINTMENT AND TENURE OF GENERAL MANAGER OF THE WATER DEPARTMENT.

The water board shall appoint a general manager of the water department to serve for an indefinite term, and may at any time remove him from office by the affirmative vote of not less than two of its members. At least thirty days before such removal shall become effective, the board shall adopt a preliminary resolution stating the reasons for his removal and specifying the date on which his removal shall become final. At any time within ten days after the adoption of such resolution, upon the written request of the manager, he shall be afforded an opportunity to be heard at a public meeting of the board, which shall be held no earlier than ten nor later than twenty days after the request was made, and at a time and place to be fixed by the water board. After such public hearing if one is requested, and after full consideration, the board by affirmative vote of two if its members may adopt a final resolution of removal. By the preliminary resolution the board may suspend the manager with pay for a period not to exceed thirty days, and may designate some other person to perform the duties of the manager during the period of his suspension.

The general manager shall be a person of proved executive and administrative ability, preferably with experience and training in the management of a water or other utility system. At the time of his appointment he need not be a resident of the city or state, but during his tenure of office shall reside in Harrison County. No member of the water board, during his term and for a year thereafter, shall be eligible for appointment as general manager of the water department.

Neither the water board nor any of its members shall direct or in any manner interfere with or obstruct the appointment or removal of any employee by the general manager or by any of his subordinates. Except for the purpose of inquiry, the board and its members shall deal with the employees of the water department solely through the general manager and shall give no orders to such employees, either publicly or privately. If any member of the board shall violate the provisions of this section, he shall be subject to removal from office in the manner provided for the removal of municipal officers in section seven, article six, chapter six of the official code of West Virginia, as amended.

SECTION 29. POWERS AND DUTIES OF GENERAL MANAGER OF THE WATER DEPARTMENT.

The general manager of the water department shall be the administrative authority of the city insofar as the water department is concerned. He shall be ex officio the secretary and treasurer of the water board, and shall devote all of his time to his official duties. He shall be responsible to the board for the proper and efficient administration of the water department, and to that end he shall have power and shall be required to:

(1) Appoint and, when he deems it necessary or advisable, remove all employees of the water department, except as he may authorize such appointment and removal by his subordinates.

(2) Prepare the annual budget of the water department, submit it to the board for adoption, and be responsible for its administration after adoption.

(3) Prepare and submit to the board as of the end of each fiscal year a complete report on the finances and the administration of the department for the preceding year.

(4) Advise the board with respect to future plans and physical needs of the water department, and keep it informed concerning the current financial condition of the department.

(5) Enforce, or cause the enforcement of, all city ordinances and all laws of the state applicable to the water system, and of all rules and regulations of the water board.

(6) Prepare and cause to be served all notices required to be given to any person, firm or corporation in connection with any activity or business of the water board, and after the proper service and return of any notice he shall file and preserve the same.

(7) Collect all revenues of the water department, deposit them in the bank or banks designated by the water board, and disburse them upon such requisition or order as the board may prescribe.

(8) Supervise the purchase, storage and distribution of all equipment and supplies for the water department.

(9) Make and keep up to date, and place on file for public information at the office of the water board, complete maps, plans and details showing the dams, pumping stations, reservoirs, tanks, pipes, valves, connections, water lines, fire hydrants, and all other data necessary to show all the physical properties of the water department.

(10) Attend all meetings of the water board, give notice of its meetings, keep the journal of its proceedings, and keep or cause to be kept full and accurate record books and books of account covering all the business and transaction of the water department, all of which shall be available for public inspection.

(11) Execute on behalf of the water board all legal and other written documents requiring execution by the chief executive officer of the board, acknowledge the same if necessary, and perform all other acts and duties required of the chief executive officer of the board.

(12) Perform such other duties as may be required of him by this charter, by general law, or by order of the board not inconsistent with this charter or with general law.

The general manager may by letter filed with the president of the board designate one of his subordinates to perform the duties of the general manager during his temporary absence or disability. If the manager fails to make such designation, the board may by resolution appoint an employee of the water department to act for the manager during his absence or disability.

SECTION 30. EMPLOYMENT OF COUNSEL BY WATER BOARD; AUDITS AND ACCOUNTS.

The water board may employ legal counsel to assist and advise it in the discharge of its duties, and to represent it and the city in all litigation conducted by the water board in connection with the exercise of its powers and the transaction of its business. The cost of all such litigation, including any judgment or decree against the water board in the name of the city, as well as all fees and compensation for counsel employed by it, shall be paid out of the revenues of the water board.

The water board by resolution shall provide for such system of collecting, disbursing, budgeting, auditing, accounting and record-keeping, not inconsistent with other provisions of this charter, as may in its opinion be necessary or desirable.

In addition to the regular annual audit made by the state tax commissioner, the board may at any time it is deemed necessary employ qualified public accountants to make a special independent audit of the finances of the water board or of the accounts of the general manager or any other employee of the water department.

SECTION 31. APPLICATION OF FUNDS OF WATER BOARD.

All revenues derived from the operation of the water department, from the sale of water works bonds, or from the sale by the water board of any of its property, shall be applied by the water board solely for the payment of expenses incurred in the exercise of authority or in the discharge of duties imposed on the board by this charter or by general law, for the payment of the cost of operating, improving, and managing the water system, and for the payment of principal, interest and sinking fund requirements necessary for the discharge of any water works bonds heretofore or hereafter issued.

SECTION 32. CONTRACTS AND PURCHASES.

All contracts and purchases by any city officer, department or agency shall be void unless made in conformity with all applicable provisions of general law, this charter, and with all rules and regulations fixed by ordinance, from time to time, concerning a dollar amount for which competitive bids shall be required for contracts for improvements or purchases of materials, supplies and equipment.

In the case of contracts for the construction of any improvements in which competitive bids shall be required, sealed competitive bids shall be obtained by notice published at least once each week for two successive weeks in two newspapers of opposite politics published in the city. The notice shall refer to necessary specifications and plans, shall invite the submission of bids, and shall specify the date on which the bids will be opened. In the case of contracts or purchases of supplies, materials and equipment or personal services, sealed competitive bids shall be obtained either (a) by published notice inviting bids as in the case of contracts for the construction of improvements, or (b) by mailed notice stating the necessary specifications, inviting the submission of bids, and stating the date on which the bids will be opened. The first of these methods shall be used unless the council or water board, as the case may be, shall enter an order of record authorizing the use of the second method and stating the reasons why such method was authorized. Whether or not it is so stated in the published mailed notice, all bids may be rejected. No city officer, department or agency shall subdivide any contract or purchase for the purpose of evading the requirements of this section with respect to competitive bidding.

The water board with respect to any improvements, extensions or additions to the water system, and the council with respect to city improvements under its jurisdiction, shall cause to be prepared accurate and complete maps, plans and specifications therefor and shall have the authority to cause such work to be done either by the employment of labor and the furnishings of material, or by entering into a contract for the performance of the labor and for the material. If a contract is let for any improvement, the water board or the council, as the case may be, shall require the contractor to give a sufficient bond with corporate surety to guarantee the faithful performance of the contract and the payment for all labor performed and all materials furnished in the performance of the contract, as provided in section thirty-nine, article two, chapter thirty eight of the official code of West Virginia, as amended. Any change or alteration in the contract after it is entered into shall be made only upon resolution passed by the water board or the council, as the case may be, and shall not be effective until the price to be paid for the work and material, or both, under the altered or modified contract, shall have been agreed upon in writing and such agreement signed by the contractor and the general manager with the approval of the water board, or the city manager with the approval of the council, as the case may be.

The water board with respect to contracts and purchases of the water department, and the City council, with respect to contracts and purchases of other city offices, departments and agencies, may by resolution prescribe additional rules and regulations governing the making of contracts and purchases, not inconsistent with general law or with the provisions of this charter.

In the case of an emergency the city council or water board, as the case may be, may by special resolution setting forth the facts constituting the emergency dispense with the requirement of competitive bidding and with the requirements of its rules and regulations governing contracts and purchases.

Any officer or employee of the city who shall be directly or indirectly interested in any contract with the city, or in the profits to be derived therefrom, shall forthwith forfeit his office or employment, and in addition thereto any such contract shall be void and unenforceable against the city. The acceptance by any officer or employee of any interest in such contract or of any gift or gratuity from any person, firm or corporation dealing with the city which might influence the officer or employee and in the discharge of his duties shall forever disqualify such officer or employee from holding any office or employment in the city government, and in addition he shall be subject to criminal prosecution as provided by general law or by City ordinance. (Amended February 18, 1982)

SECTION 33. STATUS OF EXISTING OFFICERS AND EMPLOYEES.

Every person holding an appointive office or employment in the city government on the effective date of this charter shall retain the same or the similar office or employment hereunder, pending action by the competent authority of the city having the power of appointment and removal with respect to such office or position. At any time within four months after the effective date of this charter, the city manager and the general manager of the water department in office on that date shall be subject to replacement by the council and by the water board, respectively, without regard to the removal provisions of sections seven and twenty-eight of this charter.

SECTION 34. DISCRIMINATORY PRACTICES PROHIBITED.

No person holding any appointive office or employment in the service of the city, or seeking appointment thereto, shall be appointed, promoted, demoted or removed, or in any way favored or discriminated against because of political opinions or affiliations, or because of race, color or religious beliefs.

SECTION 35. SOCIAL SECURITY.

The city council, the water board, and every other board or commission provided for in this charter, or hereafter created by council pursuant to general law, shall in the manner prescribed by law provide social security coverage for all eligible city officers and employees.

SECTION 36. OATH OF OFFICE.

Before taking office every officer of the city and the head of each administrative department shall take the oath of affirmation required by section five, article four of the constitution of the state.

SECTION 37. ELECTIONS.

Regular city elections shall be held on the first Tuesday in June, one thousand nine hundred fifty-seven, and on the first Tuesday in June of every second year thereafter. Special elections shall be held at such times as may be fixed by the council in accordance with the provisions of this charter and of general law.

The ballot to be used in city elections shall be prepared by the council and shall have set forth thereon in one division the names of all properly nominated candidates for election to membership on the council, and in another division the names of all properly nominated candidates for election to membership on the water board. In the printing of the ballots, the position of the names of the candidates shall be in like manner as is provided by general law for the printing of official primary ballots. The ballots shall state that the election is non-partisan and shall clearly indicate the number of candidates for each office for whom the voter is entitled to vote. At least ten days before the election a sample ballot showing the names of all properly nominated candidates shall be published once in two newspapers published in the city in the same manner as is provided by law for the publication of the list of nominations in a general election.

Except as otherwise provided in this charter, city elections shall be conducted and the result determined and certified in accordance with the provisions of general law with respect to primary, general and special elections, so far as they are applicable, except that the duties devolving upon the county court and the clerk thereof under the general laws for conducting elections shall be performed by the city council and the city clerk. The council shall appoint three commissioners and two clerks to serve as election officials in each precinct in the city. At least three days before the date of the election the city clerk shall procure from the clerk of the county court the necessary registration records and other election supplies and shall deliver them together with the ballots to the election officials. The election officials shall as soon as possible after the closing of the polls on election day return to the city clerk the ballots, tally sheets, certificates of the result of the election, registration records, ballot boxes and other election supplies. On the first Monday following the election the council shall canvass the returns of the election and declare the result. In the case of a contest the council shall be the judge of the election and qualifications of all city officials.

The cost incurred in holding and conducting regular city elections, after deducting all nomination fees received in connection therewith, shall be paid one-half out of the general city revenues and one-half out of the revenues of the water board. The costs of conducting special elections shall be paid out of general city revenues, except that the cost of any special election held at the request of the water board shall be paid out of its revenues.
(Amended 6-1-93)

SECTION 38. CANDIDATES FOR CLARKSBURG CITY COUNCIL OR CLARKSBURG WATER BOARD; FILING FEE; FILING DATE.

A filing fee to be set by ordinance and candidate's signed certificate of announcement stating that he/she is a qualified voter of the city and he/she has resided therein for at least 30 days and that he/she declares himself/herself a candidate for election to such office of councilman/councilwoman of the Clarksburg city council or member of the water board and will serve if elected, shall be filed in person with the city clerk in the Office of the City Clerk, Municipal Building, Clarksburg, West Virginia, not earlier than the first day of March, nor later than 4:30 p.m. on the fifteenth day of March preceding the election. The clerk shall make a record of the exact time each statement and fee was filed and the name and address of the person by whom it was filed. The filing dates provided herein shall be changed or amended by regular ordinance thereafter.

In case there shall not be a number of candidates for any office equal to the number of persons to be elected to such office at any election, then the council for the office of councilman/councilwoman and the water board for the office of a member of the water board, shall on or before the 20th day of March preceding the election make by appropriate resolution such additional nominations of candidates to be elected to such office. The nomination of any person by such a resolution shall, however, not be complete unless the person so nominated shall within three days after his nomination pay to the city clerk the prescribed filing fee and file with the clerk a signed statement that he/she is a qualified voter of the city and has resided therein for at least 30 days before his/her nomination, and that he/she accepts the nomination and will serve, if elected.

The word announce or announcement as used herein or as used in the Clarksburg city charter shall for the purposes of the Clarksburg city charter be synonymous with and shall mean the same as nominate or nomination. The word nominate or nomination as used herein or as used in the Clarksburg city charter shall for the purposes of the Clarksburg city charter be synonymous with and shall mean the same as announce or announcement.
(Amended 6-1-93)

SECTION 39. FORM OF CERTIFICATE OF ANNOUNCEMENT; BLANK FORMS TO BE FURNISHED BY CITY CLERK.

The city clerk shall prepare and furnish printed forms for certificates of announcement substantially in the form set forth and authorized by ordinance of the city council. (Amended 6-1-93)

SECTION 40. EFFECT OF CHARTER ON EXISTING ORDINANCES AND ADMINISTRATIVE RULES AND REGULATIONS.

All existing ordinances and all existing administrative rules, regulations and practices, if not inconsistent or in conflict with this charter, shall continue in full force and effect until repealed or modified by the council or other competent authority of the city. All ordinances, rules, regulations and practices that are inconsistent or in conflict with this charter shall, unless sooner repealed or modified, continue in full force and effect for a period of sixty days only, and at the end of that period shall to the extent of such inconsistency or conflict be of no further force or effect.

SECTION 41. REFERENCE TO GENERAL LAW.

A reference contained in this charter to a provision of general law shall be construed to mean the provision as it now exists or as it may hereafter be amended. Where additional sections are added to the subject matter of a provision of general law referred to in this charter, the reference shall include such additional sections.

SECTION 42. MEETINGS AND OTHER ACTS ON LEGAL HOLIDAYS.

Whenever under the provisions of this charter it is required that a meeting be held or that an act be done on a date which is a legal holiday, the meeting shall be held or the act shall be done on the next day not a legal holiday.

SECTION 43. SEPARABILITY.

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

SECTION 44. EFFECTIVE DATE OF CHARTER.

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

CHAPTER THREE - Legislative
Art. 115. Council.
Art. 117. City Clerk.

ARTICLE 115
Council

115.01	Regular meetings.	115.10	Duties and privileges of members.
115.02	Special meetings.	115.11	Rules of procedure.
115.03	Adjourned sessions.	115.12	Ordinances and resolutions.
115.04	Conference sessions.	115.13	Miscellaneous rules.
115.05	Executive sessions.	115.14	Smoking prohibited.
115.06	Presiding officer; duties.	115.99	Penalty.
115.07	Quorum; summoning of absent members.		
115.08	Attendance at meetings.		
115.09	Signing of written petitions.		

CROSS REFERENCES

Members - see CHTR. Sec. 5
Meetings; rules of procedure - see CHTR. Sec. 6
Powers - see CHTR. Sec. 7
City Clerk - see CHTR. Sec. 9
Appointment of members of Public Library Board of Directors - see CHTR. Sec. 20
Oath - see CHTR. Sec. 36
Elections - see CHTR. Sec. 37
Effect of Charter on existing ordinances - see CHTR. Sec. 40
Meetings and other acts on legal holidays - see CHTR. Sec. 42
Open governmental proceedings - see W. Va. Code Art. 6-9A

115.01 REGULAR MEETINGS.

Council shall meet in regular session on the first and third Thursdays of each month at 7:30 p.m. When the meeting falls on a national or legal holiday, the regular meeting shall be held at the same hour on the next succeeding secular day not a holiday. Council may by motion dispense with any regular meeting. The place and agenda of the meeting shall be the Council Chamber in the City Hall, unless Council adopts a resolution establishing an alternate location for a meeting or meetings, which resolution shall be adopted not less than forty-eight hours prior to any such meeting or meetings. The news media, including each local newspaper, radio station and television station, shall be advised of the time and place of all regular meetings by written notice at least forty-eight hours in advance of any regular meeting. The City Clerk shall further post on the bulletin board on the first floor in City Hall at least seven days before such meeting a notice to the public of the time and place of the meeting. However, the foregoing notice shall not be required in the event of an emergency requiring immediate official action.
(Ord. 94-19. Passed 6-21-94.)

115.02 SPECIAL MEETINGS.

Special meetings may be called by the Mayor, the Vice-Mayor or any three councilmen. The City Clerk shall prepare a notice of the special meeting stating time, place and object, and this notice shall be served personally upon each member of Council, or left at their usual place of residence at least forty-eight hours before the time of the meeting. It shall also be the duty of the City Clerk, immediately upon receipt of written request, to make diligent effort to notify each member of Council in person, either by telephone or otherwise, of such special session. The City Clerk shall further post on the bulletin board on the first floor in City Hall at least forty-eight hours before such meeting notice to the public of the time, place and purpose of the meeting and in addition shall notify the news media, including each local newspaper, radio station and television station, of the time, place and purpose of the meeting by written notice at least forty-eight hours in advance of any special meeting. However, the foregoing notice shall not be required in the event of an emergency requiring immediate official action. (9-7-78)

115.03 ADJOURNED SESSIONS.

Any session of Council may be continued or adjourned from day to day, or for more than one day, but no adjournment shall be for a longer period than until the next regular meeting thereafter. (1969 Code §2-12)

115.04 CONFERENCE SESSIONS.

The rules of procedure for conference sessions of Council shall be:

(a) Council shall meet in conference session prior to the regular meeting of Council.

(b) The Mayor may call Council together for a conference session at any time.

(c) The conference session shall be devoted exclusively to any matters regarding which the interchange of information preliminary to public discussion is deemed to be essential.

(d) Any matter under discussion shall be regarded as confidential.

(e) No formal vote shall be taken on any matter under discussion, nor shall any Council member enter into a commitment with another respecting a vote to be taken subsequently in a public meeting of Council; provided, that nothing herein shall prevent a polling of Council, or the taking of an informal vote, on any matter under discussion. (1969 Code §2-13)

115.05 EXECUTIVE SESSIONS.

The rules of procedure for executive sessions shall be:

(a) An executive session may be convened on call of the Mayor, or by a vote of Council, but may be held only upon a majority affirmative vote of the members present of the governing body.

(b) An executive session may be called during any regular or special meeting of Council by a majority of the members present at such meeting.

(c) Attendance at the executive session shall be limited to the members of Council. However, Council may invite such persons as may be required for advice and information.

(d) No formal vote shall be taken on any matter under discussion, nor shall any Council

member enter into a commitment with another expecting a vote to be taken subsequently in a public meeting of Council. Nothing herein shall prevent a polling of Council or the taking of an informal vote on any matter under discussion. Before the convening of an executive session during a regular, special or emergency meeting the presiding officer must identify the authorization therefore under the provisions of West Virginia Code 6-9 A-4. (9-7-78)

115.06 PRESIDING OFFICER; DUTIES.

(a) Presiding Officer; Calling of Roll. The Mayor or, in his absence, the Vice-Mayor, shall take the chair at the hour appointed for Council to meet, and shall immediately call the members to order. The roll shall then be called by the City Clerk, who shall enter in the minutes of the meeting the names of the members present.

(b) Vice-Mayor. As soon as possible after the election of a Mayor, as set out in the Charter, Council shall elect one of its members to serve as Vice-Mayor for a term of two years, coincidental with the term of the Mayor. The Vice-Mayor shall, in the absence, illness or inability of the Mayor to serve, carry out all duties of the Mayor, as set forth in the Charter. The Vice-Mayor shall receive no additional compensation, other than his salary as a councilman.

(c) Temporary Presiding Officer. In case of the absence of the proper presiding officer, the City Clerk shall call Council to order and call the roll of the members. If a quorum is found to be present, Council shall proceed to elect, by a majority vote of Council, a chairman of the meeting to act until the proper presiding officer appears.

(d) Decorum and Order. The presiding officer of Council shall preserve decorum and decide all questions of order, subject to appeal to Council. If a member transgresses the rules of Council, the presiding officer shall, or any member may, call him to order, in which case he shall be seated, unless permitted to explain.
(1969 Code §§2-15 to 2-18)

115.07 QUORUM; SUMMONING OF ABSENT MEMBERS.

Four or more members of Council shall constitute a quorum. In case a less number than a quorum shall convene at a regular or special meeting, the majority of the members present are authorized to send the Sergeant-at-Arms or other person for any or all of the absent members. (1969 Code §2-19)

115.08 ATTENDANCE AT MEETINGS.

(a) City Manager. The City Manager shall attend all meetings of Council, unless excused by Council.

(b) City Clerk; Duties. The City Clerk shall attend all meetings of Council, unless excused, and shall keep minutes of the meetings and perform such other and further duties in the meeting as may be ordered by Council.

The City Clerk shall also notify each member of Council by letter, at least thirty days in advance, of any appointment required to be made to any City board, commission or agency where such appointment is the responsibility of Council.

(c) City Attorney; Duties. The City Attorney shall attend all meetings of Council, unless excused by Council. The City Manager or any member of Council may at any time call upon the City Attorney for an oral or written opinion to decide any question of law or to advise the chair upon any parliamentary rule.

(d) Officers and Heads of Departments. The head of any department or any officer of the City, when requested by the City Manager or Council, shall attend any regular, adjourned or special meeting of Council. (1969 Code §§2-20 to 2-23)

115.09 SIGNING OF WRITTEN PETITIONS.

Written petitions to Council shall be signed only in the handwriting of the person purporting to sign. Every person signing a petition shall place his complete address after his signature. (1969 Code §2-24)

115.10 DUTIES AND PRIVILEGES OF MEMBERS.

(a) Seating Arrangement. Members of Council shall occupy the seats in the Council Chamber around the Council table as designated by the Mayor.

(b) Conduct During Debate. When recognized by the chair, a member of Council shall confine himself to the question under debate, avoid personalities and refrain from impugning the motives of any other member's argument or vote.

(c) Appeal to Council from Ruling of Presiding Officer. Any member may appeal to Council from a ruling of the presiding officer. If the appeal is seconded, the member making the appeal may briefly state his reason for the same, and the presiding offficer may briefly explain his ruling; but there shall be no debate on the appeal and no other member shall participate in the discussion. The presiding officer shall then put the question: "Shall the decision of the chair be sustained?" If a majority of the members present vote "aye," the ruling of the chair is sustained; otherwise, it is overruled.

(d) Limitation of Debate. No member of Council shall be allowed to speak more than once upon any one subject until every other member choosing to speak thereon shall have spoken.

(e) Voting. Every member of Council present when a question is put shall vote either "yes" or "no"; provided, that if any member of Council does not desire to vote on any question, he may be shown on the record as having "abstained." The record shall show whenever the vote is unanimous. In all other cases, the vote shall be called and recorded. No member shall vote on any matter in which he has a personal interest other than as a taxpayer of the City.

(f) Questions of Personal Privilege. The right of a member to address Council on a question of personal privilege shall be limited to cases in which his integrity, character or motives are assailed, questioned or impugned.

(g) Recording of Dissents or Protests. Any member of Council shall have the right to express dissent from or protest against any ordinance, resolution or other action of Council and have the reason therefor entered upon the minutes. Such dissent or protest shall be

filed in writing couched in respectful language, and presented to Council not later than the next regular meeting following the date of passage of the ordinance, resolution or other action objected to.

(h) Leaving Council Chamber During Meeting. No member of Council may leave the Council Chamber while in regular session without permission from the presiding officer. (1969 Code §§2-25 to 2-32)

115.11 RULES OF PROCEDURE.

(a) Order of Business. The business of all regular meetings of Council shall be transacted in the following order, unless Council, by a vote of at least two-thirds of the members present, shall suspend the rules and change the order.

(1) Roll call of members.
(2) Prayer.
(3) Minutes of the preceding meeting.
(4) Petitions, communications and public hearings.
(5) Consideration of any bids.
(6) Reports from the City Manager.
(7) Consideration of unfinished business.
(8) Consideration of new business.
(9) Adjournment.

Each member of Council shall be provided a copy of the minutes of the previous meeting in advance of the next regular meeting whenever practicable. The presiding officer may inquire "whether or not there are any additions or corrections to the minutes as furnished Council members and as are set forth in the minute book of Council." If there are no corrections or additions, such minutes shall stand approved and shall be signed by the presiding officer and validated by the City Clerk. (1969 Code §2-33)

(b) Filing Copies Before Meeting. Every ordinance, resolution and document to come before Council for consideration, except as hereinafter provided, must be filed with the Clerk before noon on the Tuesday before the day on which Council meets.

(c) Preparation of Agenda. The Clerk shall have ready for delivery at 4:30 p.m., on the Tuesday prior to the day of Council meeting an agenda which follows the pattern of the order of business which lists all reports, communications, orders, ordinances, resolutions, contract-documents or matters to come before Council.
(Ord. 81-38. Passed 11-11-81.)

(d) Amending Agenda. No matters shall be considered by Council which have not been properly placed upon the agenda; provided, that Council may amend the agenda and place new matters thereon by a majority vote of Council at the commencement of the meeting at which such matter is to be considered; provided further, that nothing herein shall operate to prohibit the free discussion of any matter by Council, nor simple orders directing preliminary work.

(e) Motions. When a question is before Council, no motion shall be entertained except:

(1) To adjourn.
(2) To fix the hour of adjournment.
(3) To lay on the table.
(4) For the previous question.
(5) To postpone to a certain day.
(6) To refer.
(7) To amend.
(8) To postpone indefinitely.

These motions shall have precedence in the order indicated. All motions, except the motion to amend, shall be put to a vote without debate.

(f) Motion to be Stated by Chair. When a motion is made and seconded, it shall be stated by the chair before debate. Any member may demand that it be put in writing. A motion may not be withdrawn by the mover without the consent of the member seconding it.

(g) Introudction of Motion or Legislation Out of Regular Order. The presiding officer of Council may, at any time, by a majority vote of the members present, permit a member to introduce an ordinance, resolution or motion out of the regular order.

(h) Motion to Adjourn. A motion to adjourn shall be in order at any time, except as follows:

(1) When repeated without intervening business or discussion.
(2) When made as an interruption of a member while speaking.
(3) When the previous question has been ordered.
(4) While a vote is being taken.

A motion to adjourn is debatable only as to the time to which the meeting is adjourned.

(i) Motion To Lay on Table. A motion to lay on the table shall preclude all amendments or debate of the subject under consideration. If the motion shall prevail, the consideration of the subject may be resumed at the same meeting, or at the next meeting, by a majority vote, after some business has been transacted after the original laying on the table.

(j) Previous Question Moved. When the previous question is moved, and seconded by one other member, it shall be put as follows: "Shall the main question be considered?" There shall then be no further amendment or debate; but pending amendments shall be put in their order before the main question. If the question, "Shall the main question be considered" be decided in the negative, the main question remains before Council.

(k) Division of Question. If the question contains two or more divisible propositions, the presiding officer may, and upon request of a member shall, divide the same.

(l) Amendment of Ordinance Generally. It shall be in order to amend an ordinance at any time before final passage.

(m) Amendment to Strike Out and Insert. On an amendment to "strike out and insert," the paragraph to be amended shall first be read as it stands, then the words proposed to be stricken out and those to be inserted shall be read, and finally the paragraph as it would stand if so amended shall be read.

(n) Motion to Amend an Amendment. A motion to amend an amendment shall be in order, but one to amend an amendment to an amendment shall not be introduced. An amendment modifying the intention of a motion shall be in order, but an amendment relating to a different matter shall not be in order.

(o) Motion to Postpone. All motions to postpone, except a motion to postpone indefinitely, may be amended as to time. If a motion to postpone indefinitely is carried, the principal question shall be declared lost.

(p) Motion to Reconsider. After the decision on any question, any member of Council who voted with the majority may move a reconsideration of any action at the same or the next succeeding meeting; provided, that a resolution authorizing or relating to any contract may be reconsidered at any time before the final execution thereof. A motion to reconsider shall require the same number of votes as is required to adopt an ordinance or resolution. After a motion for reconsideration has once been acted on, no other motion for a reconsideration thereof shall be made without unanimous consent.

(q) Robert's Rules of Order. In the absence of a rule to govern a point or procedure, reference shall be had to Robert's Rules of Order, Revised.

(r) Anonymous Communications. Unsigned communications shall not be introduced in Council. (1969 Code §2-36 to 2-50)

115.12 ORDINANCES AND RESOLUTIONS.

(a) Introduction. All ordinances and resolutions shall be introduced in Council in printed, typed or written form, with the name of the Council member, City Manager or City Attorney endorsed thereon. Any member of Council may instruct the City Clerk to endorse the designation "By Request" on any ordinance or resolution which is being introduced to Council in his name.

(b) Approval by City Attorney. All proposed ordinances shall be approved by the City Attorney and bear his notation that they are correct in form. The City Manager shall attach to each proposed ordinance a brief digest of the provisions thereof, and where it is proposed to amend an existing ordinance, such digest shall indicate the change sought to be made.

(c) Distribution of Copies. The City Clerk shall prepare copies of all proposed ordinances and resolutions, together with copies of the statement of the City Manager in the form provided in subsection (b) hereof, for distribution to all members of Council, together with the agenda for the meeting at which it is to be introduced, not later than 4:30 p.m. on the Friday prior to the Thursday on which Council is to meet. (1969 Code §2-51 to 2-58.)

(d) Form. Each proposed ordinance or resolution shall contain not more than one subject which shall be clearly stated in the title; provided that the general appropriations ordinance and budget ordinance may contain the various subjects and accounts for which money is appropriated, and a recodification ordinance need not be subject to the above requirement. Each proposed ordinance or resolution shall be appropriately numbered, indexed and filed in the Office of the City Clerk. The enacting clause of all ordinances passed by Council shall be: "Be it enacted by the City of Clarksburg."
(Ord. 80-29. Passed 12-4-80.)

(e) Forms of Pronouncements; When may be passed. Pronouncements of Council may be made in the following forms:

(1) Ordinance.
(2) Emergency ordinance.
(3) Resolution.
(4) Orders and motions.

An ordinance cannot be passed on the day on which it was introduced. An emergency ordinance, resolution, order or motion may be passed on the day on which it was introduced.

(f) Procedure for Enacting Ordinances.

(1) An ordinance shall be read by title at not less than two meetings with at least one week intervening between each meeting, unless a member demands that the ordinance be read in full at one or both meetings. If such demand is made, the ordinance shall be read in full as demanded.
(2) Before final passage, an ordinance shall be published by title as a Class II-O legal advertisement in compliance with the provisions of West Virginia Code Art. 59-3.
(3) An ordinance shall not be finally passed until after such publication by title and persons interested have been given an opportunity to attend a meeting of Council and be heard with respect to the ordinance.
(4) An ordinance shall not be materially amended at the same meeting at which finally passed.
(5) If any additional requirements are specified in other provisions of the West Virginia Code for the passage or ordinances, then such other different or additional requirements shall be applicable.

(g) Action of Council by Ordinance. In the following enumerated cases, the action of Council shall be by ordinance:

(1) Levying taxes or providing for the collection of fees of any kind.
(2) Requiring a license to do business.
(3) Relating to offenses and penalties.
(4) Authorizing the issuance of bonds or other forms of indebtedness.
(5) Providing for a public improvement.
(6) Providing for the purchase of private property by the city or for the sale of property belonging to the City.
(7) Laying out or vacating a public street, alley or way.
(8) Relating to zoning.
(9) Granting franchises to public utilities.
(10) Providing for contractual or other agreement with another jurisdiction.
(11) When otherwise required by law.

(h) Enacting Emergency Ordinances. Council may enact an ordinance at the same meeting at which it is introduced in the case of pressing public emergency which would make procedure under subsection (f) hereof dangerous to the public safety or morals; such action may be taken only after a suspension of the rules of procedure and then upon the affirmative vote of two-thirds of the members of Council. The nature of the emergency shall be set out in full in the ordinance. (1969 Code §2-51 to 2-58)

115.13 MISCELLANEOUS RULES.

(a) Admission within Bar. No persons, except members of Council, officers named in the rules and persons invited by the presiding officer of Council or by vote of Council, shall be admitted within the bar of the Council Chamber. The Sergeant at Arms shall cause this rule to be rigidly enforced.

(b) Addressing Council. Persons other than members of Council and City officers shall not be permitted to address Council except upon introduction by the presiding officer.

(c) Sergeant at Arms. There shall be a Sergeant at Arms, who shall be the Chief of Police or his designate. The Sergeant at Arms shall attend meetings of Council and act at the direction of the presiding officer.

(d) Use and Control of Council Chambers. The Council Chamber shall be under the supervision and control of the City Manager when Council is not in session. Except as herein provided, it shall be used solely by Council and its committees for the transaction of public business of the City. If not required for such use, the City Manager may permit its use by agencies of the Federal, State or City Governments for the transaction of public business. Application for such use shall be made to the City Manager in such manner as may be prescribed by him. Any permission so granted may be cancelled or revoked by the City Manager forthwith where necessary for the protection of City property, the preservation of order or other sufficient reason.

(e) Approval of Project in Cooperation with State or Federal Government. All proposals for projects which contemplate cooperation with, or financial participation by, the State or Federal Government shall be transmitted to Council by the City Manager. If a City board or commission desires to propose such a project, the proposed shall first be filed with the City Manager. All proposals shall be in approved form and accompanied by proper plans and specifications conforming to the requirements of respective State or Federal Government. If Council approves the proposal, it shall by resolution authorize the City Manager to make application to the proper authority.

(f) Suspension of Rules. Any provision of the rules set out in this article not governed by the Charter or the Codified Ordinances may be temporarily suspended at any meeting of Council by a two-thirds vote of all members elected. The vote on any such suspension shall be taken by yeas and nays and entered upon the records.
(1969 Code §2-59 to 64)

115.14 SMOKING PROHIBITED.

No person shall smoke or carry a lighted cigarette, cigar or pipe in the Council chambers when such place is used by Council in the conduct of its official, regular, special or emergency meetings.

The City Manager shall have conspicuously displayed a sign reading "No Smoking, City Ordinance No. 80-12" in the area where smoking is prohibited under this section.

No person shall remove, deface or destroy any "No Smoking" sign posted pursuant to the provisions of this section. (Ord. 80-12. Passed 7-3-80.)

115.99 PENALTY.

Whoever violates Section 115.14 shall be fined not less than ten dollars ($10.00) nor more than fifty dollars ($50.00). (Ord. 80-12. Passed 7-3-80.)

ARTICLE 117
City Clerk

117.01 Assistant City Clerk.

CROSS REFERENCES
City Clerk - see CHTR. Sec. 9

117.01 ASSISTANT CITY CLERK.

There is hereby authorized and created the position of Assistant City Clerk for the City. The Assistant City Clerk shall be a resident of the City and shall be employed on a full-time basis to assist the City Clerk in the performance of her/his duties; provided however, that the power, duty and responsibility of the appointed City Clerk provided in Section 9 of the City Charter remains with the appointed City Clerk. However, the Assistant City Clerk with the approval of the City Manager shall perform all of the functions and duties of the City Clerk in the absence of the City Clerk or the inability of the City Clerk to act, with all the powers, duties and privileges normally devolving upon the City Clerk, not inconsistent with the City Charter or general law. Further a job description for the Assistant City Clerk shall be prepared by the City Clerk and approved by the City Manager.

The Assistant City Clerk shall be under the direction of the City Clerk and under the ultimate supervision of the City Manager. (Ord [illegible] Passed 3-20-86.)

CITY OF CLARKSBURG

RESOLUTION ON OPEN GOVERNMENTAL PROCEEDINGS RULES

Pursuant to Chapter 6, Article 9A, Section 3 of the West Virginia Code, the Council of the City of CLARKSBURG does hereby adopt the following rules to make available, in advance, the date, time, place and agenda of all regularly scheduled meetings of the Council, and the date, time, place and purpose of all special meetings of the Council to the public and news media (except in the case of an emergency requiring immediate action) as follows:

1. Regular Meetings. A notice shall be posted and maintained by the City Clerk at the front door or bulletin board of the Clarksburg City Hall of the date, time and place fixed and entered of record by Council for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same location by the City Clerk not less than 3 days before such regular meeting is to be held. If a particular regularly scheduled meeting is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the same location as soon as feasible after such cancellation or postponement has been determined.

2. Special Meetings. A notice shall be posted by the City Clerk at the front door or bulletin board of the Clarksburg City Hall not less than 3 days before a specially scheduled meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. If the special meeting is cancelled, a notice of such cancellation shall be posted at the same location as soon as feasible after such cancellation has been determined.

These rules regarding notice of meetings shall replace any and all previous rules heretofore adopted by Council.

Adopted this May 2, 2002.

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATION

I, Annette M. Wright, duly appointed City Clerk of the City of Clarksburg, do hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the City Council of the City of Clarksburg at a regular meeting of City Council held May 2, 2002, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this July 25, 2002.

[SEAL]

Annette M. Wright
City Clerk

02/25/02
155510/00009

CITY OF CLARKSBURG
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Email: awright@cityofclarksburgwv.com
OFFICE OF CITY CLERK

STATE OF WEST VIRGINIA,
COUNTY OF HARRISON,
MUNICIPALITY OF CLARKSBURG, TO-WIT:

I, Annette M. Wright, Clerk of the City of Clarksburg, West Virginia, do hereby declare the attached to be a true and accurate copy of the Minutes of the Council of the City of Clarksburg for the regular session held on February 7, 2013. Said Minutes were approved February 21, 2013 and are of record in my office in Minute Book No. 24, at page 417.

IN TESTIMONY WHEREOF, I have hereunto set my hand and the Official Seal of said City on this the 16th day of April, 2013.

Annette M. Wright

ANNETTE M. WRIGHT, CMC
CITY CLERK
CITY OF CLARKSBURG, WEST VIRGINIA

[SEAL]

FEBRUARY 7, 2013

The Clarksburg City Council met in REGULAR SESSION on Thursday, February 7, 2013 at 7:00 P.M. at the Clarksburg Municipal Building – Council Chambers, 222 West Main Street, Clarksburg, West Virginia, with Mayor Trecost presiding.

COUNCIL MEMBERS PRESENT:

Margaret Bailey
Gary Bowden
Robert Caplan
Mary Mayer
Vice Mayor Catherine Goings
Mayor Patsy Trecost II

ALSO PRESENT:

Martin Howe, City Manager
Greg Morgan, City Attorney
Annette Wright, City Clerk

COUNCIL MEMBER(S) ABSENT:

Sam Lopez

The opening prayer was offered by City Attorney Greg Morgan followed by the Pledge of Allegiance.

At this time, Council deviated from the agenda to hear from Wheeling Mayor Andy McKenzie and WVML Executive Director Lisa Dooley regarding the Home Rule Program. Mayor McKenzie explained that the pilot program for home rule which allows local representatives to govern locally started five years ago and is due to sunset this year. An extension of the program for the four (4) cities that are currently participating, as well as opening up the program to four (4) additional municipalities is being sought. Mayor McKenzie informed that under home rule, Wheeling has been able to do the following: (a) create a vacant, dilapidated registration program which has allowed for the forced sale of such property and for the City to become a lienholder to recover its monies; (b) change its licensing program wherein the City went from 77 to 3 licenses; thus, becoming more business friendly; and (c) eliminate fire service fees on personal property. Mayor McKenzie opined that the home rule program would be of benefit to Clarksburg and encouraged the City's support of the same requesting that contact be made with the Governor and local delegation. Director Dooley pointed out that it has always been the philosophy of the cities that they know the needs of their respective citizens and that they need to have the authority in which to govern locally.

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the minutes of the regular session of Council held on January 17, 2013. **MOTION APPROVED UNANIMOUSLY.**

Mayor Trecost called for petitions, communications and public hearings with the following individual appearing therefor:

Chuck Arnett – appeared before Council regarding the following: (1) informed that he was conflicted about what happened to the City's Internet person and that he would like to hear feedback regarding the same; (2) believed all the bonds and monies was approved for the water park; however, there may be more to come; (3) plans/paperwork for the Conference Center; and (4) opined that the audio recordings of meetings were valuable as they were much more extensive than the minutes.

AGENDA ITEM NO. 5: CITY MANAGER'S REPORT/UPDATE

Follow-up/General Updates

1. Demolition – N. 4th Street Properties – The contractor has tentatively scheduled the demolition of the four (4) buildings located at the corner of Pike and 4th Street in mid-February with a completion date near the end of February.
2. LCAP – (Landfill Closure Assistance Program) – We anticipate the landfill closure to begin this calendar year and be completed in 2014.

Economic Development

1. Ohio Avenue Project – Currently utilizing the Industrial Access Funds, the administration is working with an engineering firm on designs and preparations of bid documents. The design will be submitted to the West Virginia Department of Highways for approval in March. We anticipate the following schedule:
   March/April – Advertise for bid
   Mid April – Construction pre-bid meeting
   Late April – Bid Opening
   May – Award of Bid
   June – Anticipate construction of roadway to begin
2. Starving Artist – Has moved from Kelly Hill to the immediate uptown area at the corner of Main and 4th Street. Certificate of Occupancy Use permit was issued for their new location.

Police & Fire

1. Police –
   A. 2013 National Bullying Prevention Program Award – Prevention Resource Officers Michael Daugherty and Josh Skiviat are the recipients of this national award.
   B. Eligibility List – Civil Service Commission (PCSC) had a meeting on Friday, February 1, 2013 to review background and polygraph test results. There were seventeen (17) eligible candidates with thirteen (13) candidates moving forward in the process. The PCSC will begin the interview stage, then the list will be certified by the commission.

UNFINISHED BUSINESS:

A. **CONSIDERATION OF SECOND AND FINAL READING AND PUBLIC HEARING OF AN ORDINANCE OF THE CITY OF CLARKSBURG PROVIDING FOR THE CONVEYANCE AND TRANSFER OF A LOT OR PARCEL OF REAL PROPERTY SITUATE AT 109 SOUTH FOURTH STREET BEING PARCEL 56 ON TAX MAP 18, IN THE CITY OF CLARKSBURG, HARRISON COUNTY, WEST VIRGINIA, AND DIRECTING THE CITY MANAGER TO EXECUTE AND DELIVER A DEED FOR THE TRANSFER OF THE SAID REAL PROPERTY**

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on January 22, 2013 and January 29, 2013 and that the publisher's certificate would be filed with the permanent record. Mayor Trecost declared the public hearing open with no one appearing therefor. Upon closing the public hearing, **MOTION** by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on second and final reading. **MOTION APPROVED UNANIMOUSLY.**

B. **CONSIDERATION OF SECOND AND FINAL READING AND PUBLIC HEARING OF AN ORDINANCE OF THE CITY OF CLARKSBURG PROVIDING FOR THE ABANDONMENT OF A PORTION OF AN UNNAMED ALLEY, NEAR MAIN AND WALDECK STREETS, FIFTEEN (15) FEET IN WIDTH LOCATED IN THE CITY OF CLARKSBURG, CLARK DISTRICT, HARRISON COUNTY, WEST VIRGINIA, AS SHOWN ON THE PETITION FOR SAID ABANDONMENT ON FILE IN THE CITY CLERK'S OFFICE; PROVIDING FOR FINDINGS OF FACT IN CONNECTION WITH SAID ABANDONMENT; AND AUTHORIZING THE EXECUTION OF THE PROPER QUITCLAIM DEEDS**

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on January 22, 2013 and January 29, 2013 and that the publisher's certificate would be filed with the permanent record. Mayor Trecost declared the public hearing open with no one appearing therefor. Upon closing the public hearing, **MOTION** by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on second and final reading. **MOTION APPROVED UNANIMOUSLY.**

C. **CONSIDERATION OF SECOND AND FINAL READING AND PUBLIC HEARING OF AN ORDINANCE OF THE CITY OF CLARKSBURG PROVIDING FOR THE ABANDONMENT OF A PORTION OF AN UNNAMED ALLEY, NEAR MAIN AND WALDECK STREETS EXTENDING FROM LANG AVENUE FIFTEEN (15) FEET IN WIDTH LOCATED IN THE CITY OF CLARKSBURG, CLARK DISTRICT, HARRISON COUNTY, WEST VIRGINIA, AS SHOWN ON THE PETITION FOR SAID ABANDONMENT ON FILE IN THE CITY CLERK'S OFFICE; PROVIDING FOR FINDINGS OF FACT IN CONNECTION WITH SAID ABANDONMENT; AND AUTHORIZING THE EXECUTION OF THE PROPER QUITCLAIM DEEDS**

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on January 22, 2013 and January 29, 2013 and that the publisher's certificate would be filed with the permanent record. Mayor Trecost declared the public hearing open with no one appearing therefor. Upon closing the public hearing, **MOTION** by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on second and final reading. **MOTION APPROVED UNANIMOUSLY.**

D. **CONSIDERATION OF SECOND AND FINAL READING AND PUBLIC HEARING OF AN ORDINANCE OF THE CITY OF CLARKSBURG PROVIDING FOR THE ABANDONMENT OF A PORTION OF APPROXIMATELY ONE HUNDRED (100) FEET OF McKINLEY AVENUE BETWEEN VANBUREN AND TAYLOR STREETS, BEGINNING AT A POINT EVEN WITH THE NORTHERNMOST BOUNDARY LINES OF LOTS 127 (PARCEL 294, TAX MAP 21) AND LOT 133, THEN EXTENDING IN A SOUTHERLY DIRECTION APPROXIMATELY EIGHTY-TWO AND ONE-HALF (82 ½) FEET, BEING THIRTY-FIVE (35) FEET IN WIDTH TO A POINT EVEN WITH THE BOUNDARY LINES BETWEEN LOTS 128 AND 129, AND THEN CONTINUING IN A SOUTHERLY DIRECTION TO THE CORNER OF THE SAID LOT NO. 129 AND TAYLOR STREET FOR THE WESTERN ONE-HALF (1/2) OF THE WIDTH OF THE RIGHT-OF-WAY OF McKINLEY AVENUE BEING SEVENTEEN AND ONE-HALF (17 ½) FEET IN WIDTH TO THE CORNER OF LOT 129 (PARCEL 287, TAX MAP 21) AND TAYLOR STREET LOCATED IN THE CITY OF CLARKSBURG, CLARK DISTRICT, HARRISON COUNTY, WEST VIRGINIA, AS SHOWN ON THE PETITION FOR SAID ABANDONMENT ON FILE IN THE CITY CLERK'S OFFICE; PROVIDING FOR FINDINGS OF FACT IN CONNECTION WITH SAID ABANDONMENT; AND AUTHORIZING THE EXECUTION OF THE PROPER QUITCLAIM DEEDS**

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on January 22, 2013 and January 29, 2013 and that the publisher's certificate would be filed with the permanent record. Mayor Trecost declared the public hearing open with no one appearing therefor. Upon closing the public hearing, **MOTION** by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on second and final reading. **MOTION APPROVED UNANIMOUSLY.**

E. **CONSIDERATION OF A PETITION FILED BY CATHERINE BELL, 2227 PRIDE AVENUE, REQUESTING AN ABANDONMENT OF THE PROPERTY LOCATED NEXT TO 23RD STREET**

MOTION by Councilmember Bowden, **SECONDED** by Vice Mayor Goings to **deny** approval of the above-captioned petition based on the recommendation by the City Attorney. **MOTION APPROVED UNANIMOUSLY.**

NEW BUSINESS:

A. **CONSIDERATION OF FIRST READING OF A BOND AUTHORIZING ORDINANCE OF THE CITY WHICH AUTHORIZES THE CURRENT REFUNDING AND REPAYMENT IN FULL OF THE CITY'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002, DATED JULY 1, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $16,260,000**

AND THE ISSUANCE BY THE CITY OF ITS WATER REFUNDING REVENUE BONDS, SERIES 2013A FOR THE PURPOSE OF FINANCING THE CURRENT REFUNDING OF THE SERIES 2002 BONDS, THE PAYMENT OF COSTS OF ISSUANCE OF THE SERIES 2013A BONDS AND RELATED MATTERS

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Mayer for approval of the above-captioned ordinance on first reading noting an estimated savings of $866,715.83. Under discussion, Bond Counsel Tom Aman explained that the purpose of the above-captioned ordinance was for service savings informing of a seven percent net savings. Attorney Aman apprised that the Water Board met and adopted a resolution requesting the City move forward on the refunding and explained the process to take place which will also include the adoption of a supplemental resolution and, ultimately, the bond closing. Rob Steptoe of Crews & Associates commented on the savings to be realized with Water Board General Manager Richard Welch advising that the Water Board strongly recommends the approval of the above-captioned ordinance. Councilmember Bailey commended the Water Board and its Administration on the cost savings to the citizens with Vice Mayor Goings expressing appreciation to Mr. Aman and Mr. Steptoe for the meeting with herself and Councilmembers Bowden and Caplan (the newer councilmembers) to explain the ordinance. **MOTION APPROVED UNANIMOUSLY.**

B. **CONSIDERATION OF FIRST READING OF AN ORDINANCE OF THE CITY OF CLARKSBURG ENACTING ARTICLE 117.02 OF PART ONE OF THE CODIFIED ORDINANCES OF THE CITY OF CLARKSBURG REGARDING THE RETENTION OF AUDIO RECORDS**

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Mayer for approval of the above-captioned ordinance on first reading. Under discussion, Mr. Howe advised that said ordinance would allow for the disposal of audio recordings one (1) year from the date the minutes are approved. City Clerk Wright informed that this was a matter that needed to be addressed as there are numerous audio recordings from past years. City Clerk Wright remarked that not only is the availability of space for the storage of such records a concern but also the means in which to listen to such recordings as the same has changed from various tape sizes to CDs. **MOTION APPROVED UNANIMOUSLY.**

C. **CONSIDERATION OF A RESOLUTION OF THE COUNCIL OF THE CITY OF CLARKSBURG TO AUTHORIZE THE CITY MANAGER TO EXECUTE AN ENCROACHMENT EASEMENT AGREEMENT WITH OLIVERIO'S ITALIAN STYLE PEPPERS, INC., GRANTING AN ENCROACHMENT OVER AND ACROSS A PORTION OF SNIDER STREET, COAL DISTRICT IN THE CITY OF CLARKSBURG**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for adoption of the above-captioned resolution. Under discussion, Mayor Trecost pointed out that the above resolution is part of the positive work the City Manager has done to clean up the various Brownfields sites and enhance economic development. **MOTION APPROVED UNANIMOUSLY.**

D. **CONSIDERATION OF WAIVING COMPETITIVE BIDDING FOR THE PURCHASE OF A VEHICLE FOR THE POLICE DEPARTMENT**

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Mayer to waive competitive bidding and approve the purchase of a vehicle for the Police Department in the amount of $24,561.00. **MOTION APPROVED UNANIMOUSLY.**

E. **CONSIDERATION OF APPOINTMENT TO THE PARKING AUTHORITY**

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Mayer to appoint Louis Nardelli to the Parking Authority. **MOTION APPROVED UNANIMOUSLY.**

F. **CONSIDERATION OF APPOINTMENT TO THE MUNICIPAL BUILDING COMMISSION**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings to appoint Hilarian Cann to the Municipal Building Commission. **MOTION APPROVED UNANIMOUSLY.**

COUNCIL COMMENTS:

Councilmember Mayer: Thanked Public Works for their work with the snow removal and commented on the successful method of addressing snow removal in the individual neighborhoods; advised of a structure in the Stealey area (Davis and Hall Streets) in poor condition, as well as a parking issue at Davis and Duff Streets with Mr. Howe noting the same. Also, Councilmember Mayer inquired if the City could work with the Credit Union to get restrooms on the backside of their building which would provide such restroom service to Jackson Square with Mr. Howe advising that he could look into the same.

Councilmember Bailey: Also commended the Public Works Department for the snow removal; noted the potholes as a result of the weather, etc. and requested that everyone remain patient for the same to be addressed; welcomed Councilmember Caplan to his first Council meeting; and noted the water leak in front of her property which she is hoping the State will soon address as no lines from her house is causing such water problems.

Vice Mayor Goings: Noted that we would need to work with the State to get the lighting on the bridge into Stealey addressed and requested that the City Manager stay abreast of this matter; congratulated Councilmember Bailey on her recent NLC appointment (Energy, Environment and Natural Resource Policy and Advocacy Committee).

Councilmember Bowden: Commented on Officers Daugherty and Skiviat's positive work throughout the community and the recognition they have received therefor; expressed pleasure in having the Starving Artist in the downtown area; inquired as to the size of the fans being installed at Jackson Square with Mr. Howe informing that the company will be returning to verify the appropriate size; and noted the worthy cause of Health Access in its campaign to eliminate obesity.

Councilmember Caplan: Expressed his appreciation to the serve the citizens and informed of his desire to work together to promote his motto of "Clarksburg first."

City Manager Howe: Also commended the Public Works Department for the hard work in addressing snow removal.

City Clerk Wright: Invited Council to join the Mayor's Youth Council on Monday, February 11th for its "Valentines for Veterans" Campaign as the group visits the residents of the VA Nursing Home to distribute valentines and candy in appreciation and remembrance of their services.

There being no further business to come before said regular meeting of Council, **MOTION** by Councilmember Bowden, **SECONDED** by Councilmember Bailey and **APPROVED UNANIMOUSLY** to adjourn.

Patsy S. Trecost II

Mayor Patsy S. Trecost II

Approved: February 21, 2013

Annette M. Wright

Annette M. Wright, City Clerk

CITY OF CLARKSBURG

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OFFICE OF CITY CLERK

STATE OF WEST VIRGINIA,
COUNTY OF HARRISON,
MUNICIPALITY OF CLARKSBURG, TO-WIT:

I, Annette M. Wright, Clerk of the City of Clarksburg, West Virginia, do hereby declare the attached to be a true and accurate copy of the Minutes of the Council of the City of Clarksburg for the regular session held on February 21, 2013. Said Minutes were approved March 7, 2013 and are of record in my office in Minute Book No. 24, at page 424.

IN TESTIMONY WHEREOF, I have hereunto set my hand and the Official Seal of said City on this the 16th day of April, 2013.

Annette M. Wright

ANNETTE M. WRIGHT, CMC
CITY CLERK
CITY OF CLARKSBURG, WEST VIRGINIA

[SEAL]

FEBRUARY 21, 2013

The Clarksburg City Council met in REGULAR SESSION on Thursday, February 21, 2013 at 7:00 P.M. at the Clarksburg Municipal Building – Council Chambers, 222 West Main Street, Clarksburg, West Virginia, with Mayor Trecost presiding.

COUNCIL MEMBERS PRESENT:

Margaret Bailey
Gary Bowden
Robert Caplan
Sam Lopez
Vice Mayor Catherine Goings
Mayor Patsy Trecost II

ALSO PRESENT:

Martin Howe, City Manager
Greg Morgan, City Attorney
Annette Wright, City Clerk

COUNCIL MEMBER(S) ABSENT:

Mary Mayer

Prior to the opening prayer, Mayor Trecost informed that Councilmember Mayer could not be present this evening due to a family accident and that he was unable to reach her to participate by phone. Also, Mayor Trecost called for a moment of silence for the passing of John Fuscaldo, who retired from the City with many years of police service. The opening prayer was offered by Finance Director Frank Ferrari followed by the Pledge of Allegiance.

At this time, Council deviated from the Agenda for a special presentation. Mayor Trecost presented Councilmember Bailey with a Certificate of Recognition which was bestowed upon her by Governor Tomblin in recognition of her appointment to the NLC's Energy, Environment and Natural Resource Policy and Advocacy Committee.

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the minutes of the regular session of Council held on February 7, 2013. **MOTION APPROVED UNANIMOUSLY.**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the minutes of the Conference (Work) session held on February 13, 2013. **MOTION APPROVED UNANIMOUSLY.**

Mayor Trecost called for petitions, communications and public hearings with the following individuals appearing therefor:

Michael Spatafore, 1337 North 19th Street – appeared before Council to discuss the Stonewall Jackson House project. Mr. Spatafore asked City Council to revive the Stonewall Jackson House committee which has not met in about a year. Mr. Spatafore informed of the many individuals who have advised they would serve on the committee, including the following: Dick Welch, Connie Poe, John Cooper, Chris Mullett, Thomas Randolph, Dick Miller, etc. Mr. Spatafore opined that the Stonewall Jackson House would attract visitors and would be an excellent addition to the City. Mr. Spatafore commented that he would like to have at least one council member and the City Manager on the committee.

Chuck Arnett – Mr. Arnett referenced the ordinance to be considered by Council regarding the destruction of audio recordings of meetings. Mr. Arnett opined that the tapes were valuable and should be digitized and put on the web. Further, Mr. Arnett opined that there was much information in the recordings that are not captured in the minutes and suggested that the recordings be given to him. Mayor Trecost expressed appreciation to Mr. Arnett for his comments and informed Mr. Arnett that there was no requirement that the meetings be recorded.

AGENDA ITEM NO. 5: CITY MANAGER'S REPORT/UPDATE

Follow-up/General Updates

1. Fiber Optic –
   A. N'Telos/Lumos – Administration had a meeting with a Lumos representative on Thursday, February 21st to discuss the damage that needs repaired within multiple locations throughout the North View area, pertaining to the fiber optic lines recently installed in January 2013.
   B. Metropolitan, LLC – They have submitted their fiber optic plans to Code Enforcement. B&D Excavating (Front Royal, VA) will be doing the trenching and installing of the fiber optic cables. The work is on Washington Avenue between 3rd and 5th Streets.
2. Public Works – Administration will be soliciting to purchase an asphalt roller by sealed bids. We will be advertising Wednesday, February 27th and Wednesday, March 6th. The bid opening will be Friday, March 15th at 2:00 p.m. Council will then be presented with a recommendation for the purchase at its Thursday, March 1st meeting.
3. Demolition – N. 4th Street Properties – Pike & 4th Street intersection to the BB&T drive-thru has been intermittently closed from Tuesday, February 19th to Friday, February 22nd and will continue to be closed through the weekend, from 8:00 a.m. to 5:30 p.m. for safety while the contractor completes the demolition of five (5) store fronts. This will serve as the new site/location for the City of Clarksburg Federal Credit Union. Construction of the facility is tentatively scheduled for summer 2013.

Economic Development

1. Little Caesar's Pizza – The Code officials and Fire Inspector conducted inspection for Certificate of Use and Occupancy Permit for the new location located on Milford Street.
2. Entrepreneurs' Café – The third café is scheduled for Monday, March 4th at Liberty High School, beginning at 5:00 p.m. Liberty High School's DECA Chapter has joined Clarksburg Uptown and the Harrison County Chamber of Commerce in hosting and promoting the event.

Sanitary Board

1. Sanitary Sewer System Improvements –
   A. The Board is continuing to work with the DEP to finalize the funding commitment of approximately 11.5 million for the improvements to the Waste Water Treatment Plant (WWTP) facility.
   B. The Board is scheduled to submit the plans to the DEP for approval and permits in late March and with an anticipated approval in early April. The project is tentatively scheduled to be bid in July 2013 with a completion of spring 2015.

DISTRIBUTION OF PROPOSED BUDGET FOR FISCAL YEAR 2013-2014

Mr. Howe advised Council that he had placed the budget documents at their seats.

UNFINISHED BUSINESS:

A. **CONSIDERATION OF SECOND READING OF A BOND AUTHORIZING ORDINANCE OF THE CITY WHICH AUTHORIZES THE CURRENT REFUNDING AND REPAYMENT IN FULL OF THE CITY'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002, DATED JULY 1, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $16,260,000 AND THE ISSUANCE BY THE CITY OF ITS WATER REFUNDING REVENUE BONDS, SERIES 2013 A FOR THE PURPOSE OF FINANCING THE CURRENT REFUNDING OF THE SERIES 2002 BONDS, THE PAYMENT OF COSTS OF ISSUANCE OF THE SERIES 2013 A BONDS AND RELATED MATTERS**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on second reading. Under discussion, Mr. Howe noted a savings of approximately $866,715.83 associated with the above-captioned refunding revenue bonds. **MOTION APPROVED UNANIMOUSLY.**

B. CONSIDERATION OF SECOND AND FINAL READING AND PUBLIC HEARING OF AN ORDINANCE OF THE CITY OF CLARKSBURG ENACTING ARTICLE 117.02 OF PART ONE OF THE CODIFIED ORDINANCES OF THE CITY OF CLARKSBURG REGARDING THE RETENTION OF AUDIO RECORDS

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on February 12, 2013 and February 19, 2013 and that the publisher's certificate would be filed with the permanent record. Mayor Trecost declared the public hearing open with no one appearing therefor. Upon closing the public hearing, **MOTION** by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on second and final reading. **MOTION APPROVED UNANIMOUSLY.**

NEW BUSINESS:

A. CONSIDERATION OF FIRST READING OF AN ORDINANCE TO APPROVE CURRENT REPLACEMENT PAGES TO THE CODIFIED ORDINANCES

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on first reading. **MOTION APPROVED UNANIMOUSLY.**

B. CONSIDERATION OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLARKSBURG NAMING THE ALLEY FROM NORTH 15TH STREET TO NORTH 16TH STREET AND PARALLEL WITH FRANKLIN AVENUE AND RICHARDS AVENUE AS "SPATAFORE WAY"

MOTION by Councilmember Lopez, **SECONDED** by Councilmember Bailey for adoption of the above-captioned resolution. Under discussion, Mr. Howe explained that by naming the alleys (Items B and C herein) would allow for better identification of said location and also noted that the individuals whom the alleys are named after have been longstanding, dedicated board members. **MOTION APPROVED UNANIMOUSLY.**

C. CONSIDERATION OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLARKSBURG NAMING THE ALLEY FROM NORTH OHIO AVENUE TO BRANNON AVENUE, LOCATED BESIDE OF 248 NORTH OHIO AVENUE, AS TOM'S ALLEY

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for adoption of the above-captioned resolution. **MOTION APPROVED UNANIMOUSLY.**

D. RECONSIDERATION OF TRANSFER OF THE PROPERTY KNOWN AS THE "SHEPLER" LOT TO THE STATE OF WEST VIRGINIA (REAL ESTATE DIVISION) PENDING FURTHER DISCUSSION REGARDING THE DEPARTMENT OF MOTOR VEHICLES NO LONGER BEING CONSIDERED AS AN OCCUPANT OF THE PROPOSED STATE COMPLEX

MOTION by Vice Mayor Goings, **SECONDED** by Councilmember Bailey to direct the City Manager to hold the deed to the above-stated property pending further discussion with the State regarding this project. Under discussion, Councilmember Lopez commented that this Council has done everything possible to get this project done, that the State had promised the DMV would be located in said complex, that be believes the City has been treated disrespectfully in this matter and that the State owes the City a credible answer as to why the DMV is being removed from this complex. Councilmember Bailey expressed her disappointment in how the plans have changed for this project pointing out the added expense to be incurred by the State in developing new plans for the DMV, as well as purchasing the private property therefor, all at the taxpayers' expense and while

budget cuts are being made by the State. Councilmember Bailey apprised that when she asked questions about this project, she was informed by a State official that she asked too many questions and that she did not deserve an answer. Councilmember Bailey remarked that the citizens of Clarksburg were deserving of an answer and that she would continue to ask questions until an answer is received. Vice Mayor Goings referenced the recently published editorial that appeared in *The Exponent Telegram* on February 17th regarding this matter and expressed appreciation therefor. Concluding discussion, **MOTION APPROVED UNANIMOUSLY.**

E. CONSIDERATION OF TWO (2) REAPPOINTMENTS TO THE PARKING AUTHORITY

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings to reappoint Thomas Hunt to the Parking Authority. **MOTION APPROVED UNANIMOUSLY.**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings to reappoint Vincent Lopez to the Parking Authority. **MOTION APPROVED UNANIMOUSLY.**

COUNCIL COMMENTS:

Councilmember Lopez: Thanked the City Manager and Finance Director for the budget document noting his pleasure in the same consisting of no increase in taxes or employee lay-offs. With regard to the log cabin structure, Councilmember Lopez stated that the City would need help with this project and that as long as this project is not costing money, he would be willing to give a committee the opportunity to make this project work.

Councilmember Caplan: Remarked on everyone working together and pointing out what a great time it is for Clarksburg and that he was glad to be a part of it.

Councilmember Bowden: Recognized his son, Beau, in attendance this evening and announced that Beau would be directing a play for the Act 2 Theater to be held at the YWCA; expressed appreciation to the Fire Department for their efforts that went above and beyond, as they assisted individuals at last Friday's Valentine's dance at the Senior Center. Firefighters graciously provided their services in getting individuals to the second floor of the Center when the elevator broke down. Also, Councilmember Bowden apprised of the recent attendance by himself and fellow councilmembers at the WVML Conference held in Charleston wherein information was provided by the Treasurer's Officer as to unclaimed property of individuals within municipalities throughout the State. Councilmember Bowden informed of a letter writing campaign that would soon be underway to assist our citizens in obtaining such unclaimed property. Mayor Trecost noted that the letter campaign would be a council-wide project.

Councilmember Bailey: With regard to Mr. Arnett's earlier remarks, Councilmember Bailey pointed out that the minutes of a meeting are different than a transcription of the same and commended the efforts of the City Clerk in providing more detailed information in said minutes than required by state statute. Councilmember Bailey provided Council with a copy of the statement sent out from the NLC regarding her committee appointment and thanked Mr. Spatafore for his efforts with the Stonewall Jackson House project.

Vice Mayor Goings: Referenced excerpts from the newspaper regarding the various projects in the City: Highland Hospital renovations, Merrick Engineering expansion, new building for Clarksburg Credit Union,

Mullins & Mullins locating in the Gore building, a tenant for Rite-Aid, noting these to be very positive for the City.

City Clerk Wright: Apprised Council of the invitation from Stealey Assembly of God to attend the open house of the Family Center thereat on Saturday, February 23rd from 1:00 p.m. to 4:00 p.m.

There being no further business to come before said regular meeting of Council, **MOTION** by Councilmember Bowden, **SECONDED** by Vice Mayor Goings and **APPROVED UNANIMOUSLY** to adjourn.

Patsy S. Trecost II

Mayor Patsy S. Trecost II

Approved: March 7, 2013

Annette M. Wright

Annette M. Wright, City Clerk

CITY OF CLARKSBURG
222 WEST MAIN STREET • CLARKSBURG, WV 26301 • PH. (304) 624-1673 • FAX (304) 624-6135
Email: awright@cityofclarksburgwv.com
OFFICE OF CITY CLERK

STATE OF WEST VIRGINIA,
COUNTY OF HARRISON,
MUNICIPALITY OF CLARKSBURG, TO-WIT:

I, Annette M. Wright, Clerk of the City of Clarksburg, West Virginia, do hereby declare the attached to be a true and accurate copy of the Minutes of the Council of the City of Clarksburg for the regular session held on March 7, 2013. Said Minutes were approved March 21, 2013 and are of record in my office in Minute Book No. 24, at page 432.

IN TESTIMONY WHEREOF, I have hereunto set my hand and the Official Seal of said City on this the 16th day of April, 2013.

Annette M Wright

ANNETTE M. WRIGHT, CMC
CITY CLERK
CITY OF CLARKSBURG, WEST VIRGINIA

[SEAL]

MARCH 7, 2013

The Clarksburg City Council met in REGULAR SESSION on Thursday, March 7, 2013 at 7:00 P.M. at the Clarksburg Municipal Building – Council Chambers, 222 West Main Street, Clarksburg, West Virginia, with Mayor Trecost presiding.

COUNCIL MEMBERS PRESENT:

Margaret Bailey
Gary Bowden
Robert Caplan
Sam Lopez
Mary Mayer
Vice Mayor Catherine Goings
Mayor Patsy Trecost II

ALSO PRESENT:

Martin Howe, City Manager
Greg Morgan, City Attorney
Annette Wright, City Clerk

The opening prayer was given by Councilmember Lopez followed by the Pledge of Allegiance.

At this time, Council deviated from the Agenda for a special presentation. Mayor Trecost, along with Councilmember Bowden, presented a Certificate of Recognition to RCB's Isaiah Holyfield in honor and recognition of his State Championship Wrestling title, marking a first in school history.

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the minutes of the regular session of Council held on February 21, 2013. **MOTION APPROVED UNANIMOUSLY.**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the minutes of the Conference (Work) session held on February 28, 2013. **MOTION APPROVED UNANIMOUSLY.**

Mayor Trecost called for petitions, communications and public hearings with no one appearing therefor.

AGENDA ITEM NO. 5: PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR 2013-2014

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on February 25, 2013 and March 4, 2013 and that the publisher's certificate would be filed with the permanent record. Mayor Trecost declared the public hearing open with Mr. Chuck Arnett appearing therefor. Mr. Arnett inquired as to how the public would be aware of what was in the budget document with Mr. Howe referencing the public hearing notice, as well as the availability of the document in the City Manager's Office, the Finance Department and the City Clerk's Office. There being no one else wishing to speak, Mayor Trecost declared the public hearing closed.

AGENDA ITEM NO. 6: CITY MANAGER'S REPORT/UPDATE

Follow-up/General Updates

1. Budget – The Certificate of Municipal Valuations has been received from the County Assessor's Office. The following increases will occur based upon the Valuations:
   A. General Fund will increase $76,750
   B. Levy Fund will increase $52,229. (Park Board will receive $20,892 and the City's Capital Improvement Fund will receive $31,337).
2. Waldomore Roof Project – A pre-construction meeting was held on Monday, March 4th with Mansuetto Roofing Company on-site to discuss the project. Work is tentatively scheduled to begin after Monday, March 18th.

3. Demolition – Administration will begin the procurement process to secure an engineering/consulting firm for demolition. The following timeline is being used:
   A. Advertise on Wednesday, March 13th and 20th
   B. Proposals are to be submitted by interested firms on or before Thursday, March 28th.
   C. Committee to interview interested firms the week of April 1st.
   D. On Thursday, April 4th, a recommendation will be made to Council to whom the Administration would prefer negotiating with for a contract.
   E. Administration will recommend a negotiated contract to Council for authorization to execute on Thursday, April 18th.

Economic Development

1. Highland Hospital – The demolition of the former parking building has begun. This phase will be completed within a few weeks.
2. CVS/Hometown Development –
   A. All civil plans have been approved. The developer can now begin finalizing acquisition of all properties.
   B. Upon acquisition, the developer's contractor will be eligible to be issued a permit to begin construction.
3. 300 W. Main Street (corner of Main & 3rd St.) former City National Bank building – ERA Real Estate has tentatively scheduled an open house for Wednesday, April 3rd – 4-7 p.m. to showcase the available space. The property owner has made improvements to the 1st floor to increase its marketability.

UNFINISHED BUSINESS:

A. PUBLIC HEARING REGARDING THE PROPOSED ENACTING OF A BOND ORDINANCE OF THE CITY WHICH AUTHORIZES THE REFUNDING OF THE CITY'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002, AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A, OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on February 22, 2013 and March 1, 2013 and that the publisher's certificate would be filed with the permanent record. With the public hearing declared open and no one appearing, Mayor Trecost closed the same.

B. CONSIDERATION OF THIRD AND FINAL READING FOLLOWING PUBLIC HEARING OF A BOND ORDINANCE OF THE CITY WHICH AUTHORIZES THE ISSUANCE BY THE CITY OF ITS WATER REFUNDING REVENUE BONDS, SERIES 2013 A, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $10,000,000 FOR THE PURPOSES OF FINANCING COSTS OF THE REFUNDING AND REPAYMENT IN FULL OF THE CITY'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002, FUNDING A DEBT SERVICE RESERVE ACCOUNT FOR THE SERIES 2013 A BONDS AND PAYING COSTS OF ISSUANCE OF THE SERIES 2013 A BONDS AND RELATED COSTS

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on third and final reading. **MOTION APPROVED UNANIMOUSLY.**

C. CONSIDERATION OF SECOND AND FINAL READING AND PUBLIC HEARING OF AN ORDINANCE TO APPROVE CURRENT REPLACEMENT PAGES TO THE CODIFIED ORDINANCES

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on February 26, 2013 and March 5, 2013 and that the publisher's certificate would be filed with the permanent record. With the public hearing declared open and no one appearing, Mayor Trecost closed the same. **MOTION** by Councilmember Bailey, **SECONDED** by Councilmember Mayer for approval of the above-captioned ordinance on second and final reading. **MOTION APPROVED UNANIMOUSLY.**

NEW BUSINESS:

A. **CONSIDERATION OF FIRST READING OF AN ORDINANCE OF THE CITY OF CLARKSBURG, WEST VIRGINIA, AMENDING ARTICLE 109.05, PART ONE OF THE CODIFIED ORDINANCES OF THE CITY OF CLARKSBURG CONCERNING COMPETITIVE BIDDING REQUIREMENTS FOR THE PURCHASE OF MATERIALS, SUPPLIES, SERVICES AND EQUIPMENT BY THE CITY, INCLUDING MINIMUM DOLLAR AMOUNTS, INVITATIONS TO BID; BID OPENING PROCEDURES; ACCEPTANCE OR REJECTION OF BIDS, EXCEPTIONS TO COMPETITIVE BIDDING REQUIREMENTS AND ADOPTION OF ADMINISTRATIVE RULES**

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Lopez for approval of the above-captioned ordinance on first reading. Under discussion, Mr. Howe explained that said ordinance would increase amounts permitted for construction projects and improvements before obtaining sealed bids, as well as increasing permitted amounts for various purchases. **MOTION APPROVED UNANIMOUSLY.**

B. **CONSIDERATION OF FIRST READING OF AN ORDINANCE OF THE CITY OF CLARKSBURG FIXING COMPENSATION FOR POLL CLERKS AND ELECTION COMMISSIONERS FOR THE GENERAL ELECTION TO BE HELD IN THE CITY OF CLARKSBURG ON TUESDAY, JUNE 4, 2013**

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Lopez for approval of the above-captioned ordinance on first reading. Under discussion, Mr. Howe explained of the reduction/consolidation of polling precincts from 21 in the 2011 election to 15 for the 2013 election. With noted savings due to such reduction, Mr. Howe informed of the increase in the salaries from $170 to $190 paid to the election commissioners picking up and dropping of supplies and from $150 to $170 for the remaining poll clerks and commissioners. **MOTION APPROVED UNANIMOUSLY.**

C. **CONSIDERATION OF FIRST READING OF AN ORDINANCE OF THE COUNCIL OF THE CITY OF CLARKSBURG ENACTING SUBSECTION (F) OF ARTICLE 1309.04 OF PART THIRTEEN OF THE CODIFIED ORDINANCES OF THE CITY OF CLARKSBURG ENACTING A FEE TO OFFSET THE COST OF ENGINEERING PLAN REVIEWS FOR COMMERCIAL RESIDENTIAL CONSTRUCTION PROJECTS**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on first reading. Under discussion, Mr. Howe explained that said ordinance would implement a plan review fee for non-residential projects noting that the City is currently paying this cost. This ordinance will allow said fee to be passed onto the developer. **MOTION APPROVED UNANIMOUSLY.**

D. **CONSIDERATION OF A SUPPLEMENTAL PARAMETERS RESOLUTION OF THE CITY OF CLARKSBURG WHICH WOULD AUTHORIZE AND APPROVE THE SALE AND DELIVERY BY THE CITY OF ITS WATER REFUNDING REVENUE BONDS, SERIES 2013 A (TAX-EXEMPT) TO THE ORIGINAL PURCHASER, APPOINT A REGISTRAR AND PAYING AGENT FOR SUCH BONDS, APPROVING THE PARAMETERS FOR CERTAIN TERMS OF THE BONDS AND MAKE OTHER PROVISIONS AS TO THE BONDS**

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Mayer to **TABLE** the above-captioned resolution. **MOTION APPROVED UNANIMOUSLY.**

With Attorney Tom Aman being present, Mayor Trecost called upon him to explain the above matter. Mr. Aman informed that they were in the process of tweaking the documents to make it more flexible for the City in the future noting the restricted covenants associated therewith. Mr. Aman stated that the adoption of the above-captioned resolution, once the same was removed from the table, would finalize matters of the bond financing such as terms, etc. and authorize the appropriate parties to execute the necessary documents therefor.

E. CONSIDERATION OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLARKSBURG AUTHORIZING SUBMISSION OF AN APPLICATION FOR GRANT FUNDS IN THE AMOUNT OF $3,000 FOR FISCAL YEAR 2013 GOVERNOR'S COMMUNITY PARTICIPATION GRANT PROGRAM FOR THE DOWNTOWN FAÇADE IMPROVEMENT PROGRAM

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for adoption of the above-captioned resolution. **MOTION APPROVED UNANIMOUSLY.**

F. CONSIDERATION OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLARKSBURG AUTHORIZING SUBMISSION OF AN APPLICATION FOR GRANT FUNDS IN THE AMOUNT OF $9,400 FOR FISCAL YEAR 2013 GOVERNOR'S COMMUNITY PARTICIPATION GRANT PROGRAM REPAIRS AND IMPROVEMENTS TO SIDEWALKS WITHIN THE CITY

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Mayer for adoption of the above-captioned resolution. **MOTION APPROVED UNANIMOUSLY.**

G. CONSIDERATION OF A DECLARATION BY CLARKSBURG CITY COUNCIL ON THE IMPACT OF SEQUESTRATION ON CKB'S FAA ATC TOWER

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Mayer for approval of the above-captioned item. Under discussion, Mr. Howe explained that the above declaration sets forth the importance of physically manning the tower and runaway as said airport has the longest runway in the state. By physically manning the same would ensure that there are eyes on the ground, where needed. **MOTION APPROVED UNANIMOUSLY.**

COUNCIL COMMENTS:

Vice Mayor Goings:	Referenced information from an article in the *Parkersburg News & Sentinel* wherein a Parkersburg resident, noting similarities in Clarksburg and Parkersburg, pointed out the problem with graffiti in Parkersburg, unlike Clarksburg.
Councilmember Bowden:	Inquired as to the status of the naming of the aquatic center with Mr. Howe advising that he would check into the same.
Councilmember Caplan:	Expressed appreciation to the City Manager and Finance Director for the excellent job on budget preparations.
Councilmember Lopez:	Noted the combination of election precincts and suggested that the City Clerk send letters to the voters of those precincts informing them of their voting location.
Councilmember Mayer:	Concurred with Councilmember Lopez regarding the voting precincts; noted concerns with parking in front of the Courthouse; recognized RCB's Isaiah Holyfield's wrestling success and also advised of her role in getting wrestling in the middle school venue.

Councilmember Bailey: Recognized those in attendance this evening and reported that she would be traveling to Washington to do work with the NLC committee to which she was appointed.

City Clerk Wright: Advised of the upcoming "Shadow Day" event with the MYC.

There being no further business to come before said regular meeting of Council, **MOTION** by Councilmember Bowden, **SECONDED** by Councilmember Bailey and **APPROVED UNANIMOUSLY** to adjourn.

Patsy S. Trecost II

Mayor Patsy S. Trecost II

Approved: March 21, 2013

Annette M. Wright

Annette M. Wright, City Clerk

CITY OF CLARKSBURG
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Email: awright@cityofclarksburgwv.com
OFFICE OF CITY CLERK

STATE OF WEST VIRGINIA,
COUNTY OF HARRISON,
MUNICIPALITY OF CLARKSBURG, TO-WIT:

I, Annette M. Wright, Clerk of the City of Clarksburg, West Virginia, do hereby declare the attached to be a true and accurate copy of the Minutes of the Council of the City of Clarksburg for the regular session held on March 21, 2013. Said Minutes were approved April 4, 2013 and are of record in my office in Minute Book No. 24, at page 438.

IN TESTIMONY WHEREOF, I have hereunto set my hand and the Official Seal of said City on this the 5th day of April, 2013.

Annette M. Wright

ANNETTE M. WRIGHT, CMC
CITY CLERK
CITY OF CLARKSBURG, WEST VIRGINIA

[SEAL]

MARCH 21, 2013

The Clarksburg City Council met in REGULAR SESSION on Thursday, March 21, 2013 at 7:00 P.M. at the Clarksburg Municipal Building – Council Chambers, 222 West Main Street, Clarksburg, West Virginia, with Mayor Trecost presiding.

COUNCIL MEMBERS PRESENT:

Margaret Bailey
Robert Caplan
Sam Lopez
Mary Mayer *(via telephone)*
Vice Mayor Catherine Goings
Mayor Patsy Trecost II

ALSO PRESENT:

Martin Howe, City Manager
Greg Morgan, City Attorney
Annette Wright, City Clerk

COUNCIL MEMBER(S) ABSENT:

Gary Bowden

The opening prayer was given by Councilmember Bailey followed by the Pledge of Allegiance.

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the minutes of the regular session of Council held on March 7, 2013. **MOTION APPROVED UNANIMOUSLY.**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the minutes of the special session of Council held on March 13, 2013. **MOTION APPROVED UNANIMOUSLY.**

Mayor Trecost called for petitions, communications and public hearings with no one appearing therefor.

AGENDA ITEM NO. 5: CITY MANAGER'S REPORT/UPDATE

Follow-up/General Updates

1. Budget – 2013- 2014 Budget was approved by the WV State Auditor's Office.
2. Asphalt Roller – Bid opening was held on Thursday, March 14th at 2:00 p.m.
   a. There were four (4) bids submitted.
   b. I recommend Council award the bid to the second lowest bidder in the amount of $28,000.00 to Leslie Equipment Company from Fairmont, WV. Bidder number 1 did not meet one of the required equipment specifications; front and rear vibrating drum.

Economic Development

1. 2013 Streetscape Grant – The grant application was submitted on Thursday, March 14th to the Department of Transportation.
   a. The project area consists of the following area:
      1) South 3rd Street from Washington Avenue to West Main Street.
      2) North side of West Main Street from South 5th Street to South 4th Street.
   b. The project will consist of sidewalk and curb replacement, existing utility improvements and installation of decorative style street lights and external electrical amenities available for future civic event use. The sidewalks and curbs will be replaced with concrete with added colored brick stamping.
2. Sidewalk Program – The Code Enforcement Office is beginning to put together a proposed timeline to notify the public of the start of the program. We are tentatively scheduling to begin accepting applications throughout the month of May, which would allow for approvals

to be granted in June. The property owners would then be eligible to begin sidewalk replacement in July. The applications will, again, only be available for pick-up in the Code Office.

Police & Fire

1. Police –
   a. The Police Civil Service Commission (PCSC) interviewed all nine (9) candidates remaining on the eligibility list.
   b. The PCSC will meet in the near future to certify the eligibility list. After the list is certified, the candidates will then move onto the psychological test. After the list is certified, the Police Chief and I will begin interviews to select candidates to hire and enroll in the Police Academy. All paperwork must be submitted by June 14th as the Academy begins July 15th.

UNFINISHED BUSINESS:

A. CONSIDERATION OF SECOND AND FINAL READING AND PUBLIC HEARING OF AN ORDINANCE OF THE CITY OF CLARKSBURG, WEST VIRGINIA, AMENDING ARTICLE 109.05, PART ONE OF THE CODIFIED ORDINANCES OF THE CITY OF CLARKSBURG CONCERNING COMPETITIVE BIDDING REQUIREMENTS FOR THE PURCHASE OF MATERIALS, SUPPLIES, SERVICES AND EQUIPMENT BY THE CITY, INCLUDING MINIMUM DOLLAR AMOUNTS, INVITATIONS TO BID; BID OPENING PROCEDURES; ACCEPTANCE OR REJECTION OF BIDS, EXCEPTIONS TO COMPETITIVE BIDDING REQUIREMENTS AND ADOPTION OF ADMINISTRATIVE RULES

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on March 12, 2013 and March 19, 2013 and that the publisher's certificate would be filed with the permanent record. With the public hearing declared open and no one appearing, Mayor Trecost closed the same. **MOTION** by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on second and final reading. **MOTION APPROVED UNANIMOUSLY.**

B. CONSIDERATION OF SECOND AND FINAL READING AND PUBLIC HEARING OF AN ORDINANCE OF THE CITY OF CLARKSBURG FIXING COMPENSATION FOR POLL CLERKS AND ELECTION COMMISSIONERS FOR THE GENERAL ELECTION TO BE HELD IN THE CITY OF CLARKSBURG ON TUESDAY, JUNE 4, 2013

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on March 12, 2013 and March 19, 2013 and that the publisher's certificate would be filed with the permanent record. With the public hearing declared open and no one appearing, Mayor Trecost closed the same. **MOTION** by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on second and final reading. **MOTION APPROVED UNANIMOUSLY.**

C. CONSIDERATION OF SECOND AND FINAL READING AND PUBLIC HEARING OF AN ORDINANCE OF THE COUNCIL OF THE CITY OF CLARKSBURG ENACTING SUBSECTION (F) OF ARTICLE 1309.04 OF PART THIRTEEN OF THE CODIFIED ORDINANCES OF THE CITY OF CLARKSBURG ENACTING A FEE TO OFFSET THE COST OF ENGINEERING PLAN REVIEWS FOR COMMERCIAL RESIDENTIAL CONSTRUCTION PROJECTS

The City Clerk advised that notices regarding the public hearing appeared in *The Exponent/Telegram* on March 12, 2013 and March 19, 2013 and that the publisher's certificate would be filed with the permanent record. With the public hearing declared open and no one appearing, Mayor Trecost closed the same. **MOTION** by Councilmember Bailey, **SECONDED** by

Vice Mayor Goings for approval of the above-captioned ordinance on second and final reading. **MOTION APPROVED UNANIMOUSLY.**

D. **CONSIDERATION OF A SUPPLEMENTAL PARAMETERS RESOLUTION OF THE CITY OF CLARKSBURG WHICH WOULD AUTHORIZE AND APPROVE THE SALE AND DELIVERY BY THE CITY OF ITS WATER REFUNDING REVENUE BONDS, SERIES 2013 A (TAX-EXEMPT) TO THE ORIGINAL PURCHASER, APPOINT A REGISTRAR AND PAYING AGENT FOR SUCH BONDS, APPROVING THE PARAMETERS FOR CERTAIN TERMS OF THE BONDS AND MAKE OTHER PROVISIONS AS TO THE BONDS**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for adoption of the above-captioned resolution. Under discussion, Mr. Aman updated Council on the bond project commenting briefly on the slight negative shift of the market but pointing out the same to remain favorable, as well as the substantial savings for the City. Mr. Aman informed that the adoption of the above-captioned resolution would be the final and official action of Council with the authority given to the Mayor and City Manager to sign the necessary documents. **MOTION APPROVED UNANIMOUSLY.**

NEW BUSINESS:

A. **CONSIDERATION OF FIRST READING OF AN ORDINANCE OF THE COUNCIL OF THE CITY OF CLARKSBURG AMENDING THE PROVISIONS OF ARTICLE 745 OF PART 7 OF THE CODIFIED ORDINANCES OF THE CITY OF CLARKSBURG REGARDING BUSINESS AND OCCUPATION TAX CREDITS INCLUDING THE DEFINITION OF NEW BUSINESS; ELIGIBILITY REQUIREMENTS, AND RESPONSIBILITIES**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for approval of the above-captioned ordinance on first reading. Under discussion, Mr. Ferrari informed that this ordinance would be beneficial from an administrative standpoint as it sets, in writing, the necessary requirements to receive the tax credit. **MOTION APPROVED UNANIMOUSLY.**

B. **CONSIDERATION OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLARKSBURG AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE WEST VIRGINIA DEVELOPMENT OFFICE TO RECEIVE GRANT FUNDS IN THE AMOUNT OF $3,000 THROUGH THE FISCAL YEAR 2013 COMMUNITY PARTICIPATION GRANT PROGRAM FOR PURCHASE OF OFFICE EQUIPMENT FOR THE CODE ENFORCEMENT OFFICE**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for adoption of the above-captioned resolution. **MOTION APPROVED UNANIMOUSLY.**

C. **CONSIDERATION OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLARKSBURG AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE WEST VIRGINIA DEVELOPMENT OFFICE TO RECEIVE GRANT FUNDS IN THE AMOUNT OF $8,000 THROUGH THE FISCAL YEAR 2013 COMMUNITY PARTICIPATION GRANT PROGRAM FOR SIDEWALK REPAIRS**

MOTION by Councilmember Bailey, **SECONDED** by Councilmember Caplan for adoption of the above-captioned resolution. **MOTION APPROVED UNANIMOUSLY.**

D. **CONSIDERATION OF A RESOLUTION APPOINTING BALLOT COMMISSIONERS, FIXING PRECINCT BOUNDARIES AND POLLING PLACES AND APPOINTING ELECTION OFFICIALS FOR THE GENERAL ELECTION TO BE HELD IN THE CITY OF CLARKSBURG ON TUESDAY, JUNE 4, 2013**

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for adoption of the above-captioned resolution. Under discussion, Councilmember Bailey expressed pleasure in the raise given to the poll workers. **MOTION APPROVED UNANIMOUSLY.**

E. CONSIDERATION OF A RESOLUTION APPOINTING EMERGENCY ABSENTEE VOTING COMMISSIONERS FOR THE GENERAL ELECTION TO BE HELD IN THE CITY OF CLARKSBURG ON TUESDAY, JUNE 4, 2013

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings for adoption of the above-captioned resolution. **MOTION APPROVED UNANIMOUSLY.**

F. CONSIDERATION OF AWARD OF BID FOR PURCHASE OF ASPHALT ROLLER FOR THE PUBLIC WORKS DEPARTMENT

MOTION by Councilmember Bailey, **SECONDED** by Vice Mayor Goings to award the bid for the purchase of the asphalt roller to Leslie Equipment Company in the amount of $28,000.00. **MOTION APPROVED UNANIMOUSLY.**

COUNCIL COMMENTS:

Councilmember Bailey: Provided Council with a copy of Rep. McKinley's statement on the budget vote and expressed appreciation to the City Manager for the "sprucing up" of City Hall. From the podium, Councilmember Bailey apprised of the outcome of her attendance at the NLC meeting in Washington, DC wherein the following were topics being worked on for action by Congress: (1) Immigration policy/reform; (2) on-line sales tax break; and (3) tax-exempt municipal bonds.

Councilmember Mayer: Requested an update on Chestnut Street with Mr. Howe noting the detailed status update provided at the earlier session this evening wherein he informed that Phase 1 of the project was coming to an end; inquired as to the status of the house in Adamston she had reported as being in need of attention with Mr. Howe advising that the Public Works Department would be addressing the demolition of the same at the appropriate time. Also, Councilmember Mayer thanked Councilmember Bailey for her report following her NLC meetings.

Councilmember Lopez: Informed that CENTRA would be partnering with the City to take down the old bus garage with all monies incurred by the City in this project being reimbursed by CENTRA.

Councilmember Caplan: Expressed appreciation to Councilmember Bailey for her informative update.

Vice Mayor Goings: Commented on the many positive activities throughout the City; informed of her attendance at the Region VI meeting with Mayor Trecost wherein they learned that the City of Bluefield is applying for demolition monies through the Small Cities Block Grant program and that there may be funding available for such projects, rather than infrastructure projects only. Mr. Howe informed that the Administration would look into the same.

Mayor Trecost: Recognized MYC member Grant Bowles in attendance this evening and congratulated him on his recent DECA accomplishment which earned him first place in competition. Lastly, Mayor Trecost extended upcoming birthday wishes to City Manager Howe.

There being no further business to come before said regular meeting of Council, **MOTION** by Councilmember Lopez, **SECONDED** by Councilmember Bailey and **APPROVED UNANIMOUSLY** to adjourn.

Patsy Trecost II

Mayor Patsy S. Trecost II

Approved: April 4, 2013

Annette M. Wright

Annette M. Wright, City Clerk

NOTICE OF PUBLIC HEARING ON THE CITY OF CLARKSBURG BOND ORDINANCE

A public hearing will be held on the following?entitled Ordinance at a regular meeting of the Council of the City of Clarksburg (the "City") to be held on Thursday, March 7, 2013, at 7:00 pm at the City Council Chambers of the City of Clarksburg, City Hall, 222 West Main Street, Clarksburg, West Virginia, and at such hearing any person interested may appear before City Council and present protests, and all protests and suggestions shall be heard by the City and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above?quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The City contemplates the issuance of the Bonds described in the Ordinance. The proceeds of the Bonds will be used to (i) pay in full the entire outstanding principal of and all accrued interest on the City's outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds"); (ii) fund the Series 2013 A Bonds Reserve Account; and (iii) pay costs of issuance of the Series 2013 A Bonds and related costs. This Bond is payable only from and secured by a pledge of the Gross Revenues to be derived from the operation of the public waterworks system of the City. No taxes may at any time be levied for the payment of the Bond or the interest thereon.

The above-entitled Ordinance was adopted by the Council of the City of Clarksburg on February 21, 2013. A certified copy of the above?entitled Ordinance is on file with the City Clerk of the City for review by interested parties during regular office hours.

Following the public hearing, the City intends to consider the Ordinance for final enactment and placement into effect upon final reading.

Dated: February 21, 2013

/s/ Patsy Trecost II

PUBLISHER'S CERTIFICATE

I, Loretta Greathouse,
Advertising Manager of THE EXPONENT TELEGRAM, a newspaper of general circulation published in the city of Clarksburg, County and state aforesaid, do hereby certify that the annexed:

NOTICE OF PUBLIC HEARING ON THE CITY OF CLARKSBURG BOND ORDINANCE

was published in THE EXPONENT-TELEGRAM 2 time(s) commencing on 02/22/2013 and ending on 03/01/2013 at the request of

STEPTOE & JOHNSON.

Given under my hand this 03/06/13.

The publisher's fee for said publication is: $128.96.

Loretta Greathouse
Advertising Manager of The Exponent-Telegram

Subscribed to and sworn to before me this 03/06/13

Sarah Hurst
Notary Public in and for Harrison County, WV

My commission expires on

The 29th day of August 2017

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
SARAH E. HURST
Clarksburg Publishing Company
P.O. Box 2000
Clarksburg, WV 26302
My commission expires August 29, 2017

SECTION 23. SANITARY BOARD.

The council shall provide for the establishment of a sanitary board which shall have the powers and shall perform the duties prescribed by general law with respect to the construction, operation and maintenance of sewage disposal facilities. The sanitary board shall be composed of the city manager, who shall be the chairman of the board, and two other persons appointed by the council, one of whom shall be a registered professional engineer.

SECTION 24. PARKING AUTHORITY.

The parking authority heretofore created and now existing shall be continued. The parking authority shall have the power and the responsibility to establish, operate and finance automobile parking facilities for the city, as provided in article four-a, chapter eight of the official code of West Virginia, as amended.

SECTION 25. THE WATER BOARD; CONTINUANCE; QUALIFICATIONS, TERM OF OFFICE, AND SALARY OF MEMBERS; SELECTION OF PRESIDENT; VACANCIES.

The Water Board of the City in existence on the date this charter is adopted shall be continued. The Water Board shall consist of three members to be elected at large by the qualified voters of the City for terms of four years beginning on the first day of July following their election. The terms of office of all members of the Water Board in office on the date this charter is adopted shall continue until the close of business on the thirtieth day of June following the date on which their terms of office would otherwise expire. At the first election held under the provisions of this charter one member of the Water Board shall be elected. At each regular election thereafter either one or two members of the Board, as the case may be, shall be elected to succeed the incumbent member or members whose term of office expires on the thirtieth day of June following the election.

Members of the Water Board shall be qualified voters of the City, shall have been residents of the City for at least one year prior to their nomination for the office, shall hold no other public office except that of notary public or member of the National Guard or naval or military reserve, and shall not be employed by the City in any capacity. If a member of the Board shall cease to be qualified or shall be convicted of any crime involving moral turpitude, his office shall immediately become vacant.

A special meeting of the Water Board shall be held at 7:30 p.m. on the first day of July following each regular City election. Following the selection of a temporary chairman the newly elected member or members of the Water Board shall first be inducted into office. The Board shall then elect one of its members to serve as President for a term of two years.

The salary of each member of the Clarksburg Water Board shall be fixed by ordinance. If any vacancy occurs on the Water Board, the Board shall within thirty days appoint a qualified person to fill the vacancy for the unexpired term. If the vacancy is not so filled within thirty days after it occurs, then of the unsuccessful candidates for the office of member of the Water Board at the last election, who are still qualified and willing to serve, the one who received more votes than any of the others shall be entitled to the office. If the vacancy is not filled by either of these methods, it shall be filled at a special election to be held on a date not more than four months after the vacancy occurs. In the resolution calling the special election, the Council shall specify procedures for the conduct of the election, and dates for circulation and filing of nominating petitions and for the holding of the election, which shall conform as nearly as may be practicable to the procedures and schedule established by this charter for regular City elections. (Ord. 02-20. Passed 8-1-02.)

SECTION 26. MEETINGS OF THE WATER BOARD; RULES OF PROCEDURE; JOURNAL.

Regular meetings of the Water Board shall be held at least once a month, on such day and at such time as the Board may by published resolution prescribe. Special meetings may be held at any time upon call by the President or any two members and upon such notice as the Board may by rule prescribe. All meetings of the Board shall be open to the public.

Two members of the Board shall constitute a quorum. The President shall be entitled to vote on all matters before the Board.

The Board shall by resolution adopt by-laws prescribing its own rules, procedure, and order of business, and shall keep a journal of all of its proceedings, which shall be available for public inspection. (Ord. 02-21. Passed 8-1-02.)

SECTION 27. GENERAL POWERS OF THE WATER BOARD.

All of the powers now or hereafter conferred upon municipalities by the laws of the state for the operation of a water system, and all powers and duties of the city pertaining to the construction, acquisition, establishment, improvement, operation, management, maintenance, and repair of the municipal water system, and the determination of all matters of policy with respect thereto, are vested in and shall be exercised by the water board. The water board shall have full and exclusive jurisdiction of the exercise and discharge of such municipal powers so conferred upon it, independent of control by the council and the city manager. The city council shall upon request of the water board enact such ordinances, enter such orders, and adopt such resolutions as may be required by law in connection with the issuance of any water works revenue bonds, the acquisition by purchase or condemnation of any property needed for the proper operation of the water department, or the transaction of any other business of the water board.

In addition to the general powers mentioned in the preceding paragraph, and without any limitation upon such powers, the water board subject to provisions of general law shall have the following authority and shall perform the following duties:

(1) Fix, regulate and change rates and charges for water supplied to all consumers; adopt and prescribe reasonable rules and regulations which shall be observed by all consumers in reference to the use and consumption of water taken from the city mains, the terms and conditions upon which connection to the mains shall be permitted, and the place and manner of making the same; fix penalties by way of additional charges for failure to pay water bills promptly, and to this end the board may discontinue the supply of water to any consumer who fails to pay for the same as required; require all users of water for temporary purposes to pay for the privilege in advance; refuse to furnish water to any building or habitation unless the owner thereof shall assume liability for the payment of the charges for the water so furnished, and charge to and collect from the owner the cost of water furnished to any tenant or occupant of such building or habitation not paid for by the tenant or occupant; charge the cost of installing water service lines from the curb line to the main against the landowner, and require payment in advance for

installing and connecting such line with the water main. The powers of the water board to fix and charge rates for water and water service and to make rules and regulations governing the supply of such water and water service shall be subject to the supervision, regulation and control of the Public Service Commission of the state to the extent and in the manner now or hereafter prescribed by general law.

(2) Whenever the city council shall determine to pave or repave any street in the city, the water board is authorized to make a proper connection and lay a water service line from the main to the curb for each and every lot or for any part of a lot under separate ownership, although no water service may, at any time be necessary or required for any such lot or part of lot, and to charge the cost of making such connection and laying such water service line against the owner of the property. The cost of laying such water service lines and making such connections shall in every instance be a lien upon the lot or part of lot to be benefitted thereby, and the water board shall have the right, in the name of the city, to institute and prosecute any proper suit in the circuit court of Harrison County for the collection of such charges by a sale of the property on which the same constitutes a lien. Whenever the council decides to pave or repave any street, it shall be the duty of the water board to lay necessary water mains and service lines as soon as may be practicable in order not to delay the paving program. In order to coordinate the making of such improvements it shall be the duty of both the council and the water board to cooperate with each other in making plans for such improvements or repairs, and to keep each other informed concerning future needs and plans.

(3) The board shall have power from time to time to repair, extend and amplify the water works plant and system, and to make such additions to the pumping station, filtration plant and water mains and lines as may at any time be deemed necessary for the proper operation of the system.

(4) The water board shall require the general manager to examine the sources of water supply for the city and to report to the board from time to time whether the waters are being polluted. The water board may, in the name of the city, institute and prosecute in any court having jurisdiction any legal action, civil or criminal, necessary to enjoin any person, firm or corporation from continuing any nuisance caused by such pollution or to prohibit the violation of any city ordinance or of any provision of general law concerning pollution or concerning the protection of the city water supply.

(5) Whenever the city shall in the manner prescribed by law provide for the imposition of a sewage service charge based on the consumption of water upon the customers of the water department, it shall be the duty of the water board to add the charge to the water bills and collect the same. All sewage charges collected by the water board shall be accounted for monthly and paid into the operating fund of the sanitary board. The sanitary board shall pay any additional cost incurred by the water board in the collection of sewage charges.

SECTION 28. APPOINTMENT AND TENURE OF GENERAL MANAGER OF THE WATER DEPARTMENT.

The water board shall appoint a general manager of the water department to serve for an indefinite term, and may at any time remove him from office by the affirmative vote of not less than two of its members. At least thirty days before such removal shall become effective, the board shall adopt a preliminary resolution stating the reasons for his removal and specifying the date on which his removal shall become final. At any time within ten days after the adoption of such resolution, upon the written request of the manager, he shall be afforded an opportunity to be heard at a public meeting of the board, which shall be held no earlier than ten nor later than twenty days after the request was made, and at a time and place to be fixed by the water board. After such public hearing if one is requested, and after full consideration, the board by affirmative vote of two if its members may adopt a final resolution of removal. By the preliminary resolution the board may suspend the manager with pay for a period not to exceed thirty days, and may designate some other person to perform the duties of the manager during the period of his suspension.

The general manager shall be a person of proved executive and administrative ability, preferably with experience and training in the management of a water or other utility system. At the time of his appointment he need not be a resident of the city or state, but during his tenure of office shall reside in Harrison County. No member of the water board, during his term and for a year thereafter, shall be eligible for appointment as general manager of the water department.

Neither the water board nor any of its members shall direct or in any manner interfere with or obstruct the appointment or removal of any employee by the general manager or by any of his subordinates. Except for the purpose of inquiry, the board and its members shall deal with the employees of the water department solely through the general manager and shall give no orders to such employees, either publicly or privately. If any member of the board shall violate the provisions of this section, he shall be subject to removal from office in the manner provided for the removal of municipal officers in section seven, article six, chapter six of the official code of West Virginia, as amended.

SECTION 29. POWERS AND DUTIES OF GENERAL MANAGER OF THE WATER DEPARTMENT.

The general manager of the water department shall be the administrative authority of the city insofar as the water department is concerned. He shall be ex officio the secretary and treasurer of the water board, and shall devote all of his time to his official duties. He shall be responsible to the board for the proper and efficient administration of the water department, and to that end he shall have power and shall be required to:

(1) Appoint and, when he deems it necessary or advisable, remove all employees of the water department, except as he may authorize such appointment and removal by his subordinates.

(2) Prepare the annual budget of the water department, submit it to the board for adoption, and be responsible for its administration after adoption.

(3) Prepare and submit to the board as of the end of each fiscal year a complete report on the finances and the administration of the department for the preceding year.

(4) Advise the board with respect to future plans and physical needs of the water department, and keep it informed concerning the current financial condition of the department.

(5) Enforce, or cause the enforcement of, all city ordinances and all laws of the state applicable to the water system, and of all rules and regulations of the water board.

(6) Prepare and cause to be served all notices required to be given to any person, firm or corporation in connection with any activity or business of the water board, and after the proper service and return of any notice he shall file and preserve the same.

(7) Collect all revenues of the water department, deposit them in the bank or banks designated by the water board, and disburse them upon such requisition or order as the board may prescribe.

(8) Supervise the purchase, storage and distribution of all equipment and supplies for the water department.

(9) Make and keep up to date, and place on file for public information at the office of the water board, complete maps, plans and details showing the dams, pumping stations, reservoirs, tanks, pipes, valves, connections, water lines, fire hydrants, and all other data necessary to show all the physical properties of the water department.

(10) Attend all meetings of the water board, give notice of its meetings, keep the journal of its proceedings, and keep or cause to be kept full and accurate record books and books of account covering all the business and transaction of the water department, all of which shall be available for public inspection.

(11) Execute on behalf of the water board all legal and other written documents requiring execution by the chief executive officer of the board, acknowledge the same if necessary, and perform all other acts and duties required of the chief executive officer of the board.

(12) Perform such other duties as may be required of him by this charter, by general law, or by order of the board not inconsistent with this charter or with general law.

The general manager may by letter filed with the president of the board designate one of his subordinates to perform the duties of the general manager during his temporary absence or disability. If the manager fails to make such designation, the board may by resolution appoint an employee of the water department to act for the manager during his absence or disability.

SECTION 30. EMPLOYMENT OF COUNSEL BY WATER BOARD; AUDITS AND ACCOUNTS.

The water board may employ legal counsel to assist and advise it in the discharge of its duties, and to represent it and the city in all litigation conducted by the water board in connection with the exercise of its powers and the transaction of its business. The cost of all such litigation, including any judgment or decree against the water board in the name of the city, as well as all fees and compensation for counsel employed by it, shall be paid out of the revenues of the water board.

The water board by resolution shall provide for such system of collecting, disbursing, budgeting, auditing, accounting and record-keeping, not inconsistent with other provisions of this charter, as may in its opinion be necessary or desirable.

In addition to the regular annual audit made by the state tax commissioner, the board may at any time it is deemed necessary employ qualified public accountants to make a special independent audit of the finances of the water board or of the accounts of the general manager or any other employee of the water department.

SECTION 31. APPLICATION OF FUNDS OF WATER BOARD.

All revenues derived from the operation of the water department, from the sale of water works bonds, or from the sale by the water board of any of its property, shall be applied by the water board solely for the payment of expenses incurred in the exercise of authority or in the discharge of duties imposed on the board by this charter or by general law, for the payment of the cost of operating, improving, and managing the water system, and for the payment of principal, interest and sinking fund requirements necessary for the discharge of any water works bonds heretofore or hereafter issued.

SECTION 32. CONTRACTS AND PURCHASES.

All contracts and purchases by any city officer, department or agency shall be void unless made in conformity with all applicable provisions of general law, this charter, and with all rules and regulations fixed by ordinance, from time to time, concerning a dollar amount for which competitive bids shall be required for contracts for improvements or purchases of materials, supplies and equipment.

In the case of contracts for the construction of any improvements in which competitive bids shall be required, sealed competitive bids shall be obtained by notice published at least once each week for two successive weeks in two newspapers of opposite politics published in the city. The notice shall refer to necessary specifications and plans, shall invite the submission of bids, and shall specify the date on which the bids will be opened. In the case of contracts or purchases of supplies, materials and equipment or personal services, sealed competitive bids shall be obtained either (a) by published notice inviting bids as in the case of contracts for the construction of improvements, or (b) by mailed notice stating the necessary specifications, inviting the submission of bids, and stating the date on which the bids will be opened. The first of these methods shall be used unless the council or water board, as the case may be, shall enter an order of record authorizing the use of the second method and stating the reasons why such method was authorized. Whether or not it is so stated in the published mailed notice, all bids may be rejected. No city officer, department or agency shall subdivide any contract or purchase for the purpose of evading the requirements of this section with respect to competitive bidding.

The water board with respect to any improvements, extensions or additions to the water system, and the council with respect to city improvements under its jurisdiction, shall cause to be prepared accurate and complete maps, plans and specifications therefor and shall have the authority to cause such work to be done either by the employment of labor and the furnishings of material, or by entering into a contract for the performance of the labor and for the material. If a contract is let for any improvement, the water board or the council, as the case may be, shall require the contractor to give a sufficient bond with corporate surety to guarantee the faithful performance of the contract and the payment for all labor performed and all materials furnished in the performance of the contract, as provided in section thirty-nine, article two, chapter thirty eight of the official code of West Virginia, as amended. Any change or alteration in the contract after it is entered into shall be made only upon resolution passed by the water board or the council, as the case may be, and shall not be effective until the price to be paid for the work and material, or both, under the altered or modified contract, shall have been agreed upon in writing and such agreement signed by the contractor and the general manager with the approval of the water board, or the city manager with the approval of the council, as the case may be.

The water board with respect to contracts and purchases of the water department, and the City council, with respect to contracts and purchases of other city offices, departments and agencies, may by resolution prescribe additional rules and regulations governing the making of contracts and purchases, not inconsistent with general law or with the provisions of this charter.

In the case of an emergency the city council or water board, as the case may be, may by special resolution setting forth the facts constituting the emergency dispense with the requirement of competitive bidding and with the requirements of its rules and regulations governing contracts and purchases.

Any officer or employee of the city who shall be directly or indirectly interested in any contract with the city, or in the profits to be derived therefrom, shall forthwith forfeit his office or employment, and in addition thereto any such contract shall be void and unenforceable against the city. The acceptance by any officer or employee of any interest in such contract or of any gift or gratuity from any person, firm or corporation dealing with the city which might influence the officer or employee and in the discharge of his duties shall forever disqualify such officer or employee from holding any office or employment in the city government, and in addition he shall be subject to criminal prosecution as provided by general law or by City ordinance. (Amended February 18, 1982)

SECTION 33. STATUS OF EXISTING OFFICERS AND EMPLOYEES.

Every person holding an appointive office or employment in the city government on the effective date of this charter shall retain the same or the similar office or employment hereunder, pending action by the competent authority of the city having the power of appointment and removal with respect to such office or position. At any time within four months after the effective date of this charter, the city manager and the general manager of the water department in office on that date shall be subject to replacement by the council and by the water board, respectively, without regard to the removal provisions of sections seven and twenty-eight of this charter.

SECTION 34. DISCRIMINATORY PRACTICES PROHIBITED.

No person holding any appointive office or employment in the service of the city, or seeking appointment thereto, shall be appointed, promoted, demoted or removed, or in any way favored or discriminated against because of political opinions or affiliations, or because of race, color or religious beliefs.

State of West Virginia:

COUNTY OF HARRISON, CITY OF CLARKSBURG, TO WIT:

I, Annette M. Wright, Clerk of said City of Clarksburg, certify that ALBERT N. COX II this day in said City personally appeared before me, and being by me duly sworn, deposes and says: that he was on the 2nd day of June, 2009 elected as a member of the Water Board of the City of Clarksburg, in said County of Harrison, for the term of four years, commencing on the 1st day of July, 2009 and that he will support the Constitution of the United States, the Constitution of the State of West Virginia and the Charter of the City of Clarksburg, and that he will faithfully discharge the duties of his office of Water Board member of the City of Clarksburg, to the best of his skill and judgment, so help him God.

Albert N. Cox II

Albert N. Cox II

Taken, subscribed and sworn to before me, in said City and County on this 1st day of July, 2009.

Annette M. Wright

Annette M. Wright, City Clerk

State of West Virginia:

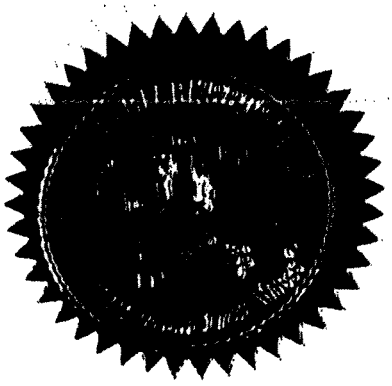
COUNTY OF HARRISON, CITY OF CLARKSBURG, TO WIT:

I, Annette M. Wright, Clerk of said City of Clarksburg, certify that JOHN P. KEELEY this day in said City personally appeared before me, and being by me duly sworn, deposes and says: that he was on the 2nd day of June, 2009 elected as a member of the Water Board of the City of Clarksburg, in said County of Harrison, for the term of four years, commencing on the 1st day of July, 2009 and that he will support the Constitution of the United States, the Constitution of the State of West Virginia and the Charter of the City of Clarksburg, and that he will faithfully discharge the duties of his office of Water Board member of the City of Clarksburg, to the best of his skill and judgment, so help him God.

John C. Keeley

John P. Keeley

Taken, subscribed and sworn to before me, in said City and County on this 1st day of July, 2009.



Annette M. Wright

Annette M. Wright, City Clerk

State of West Virginia:

COUNTY OF HARRISON, CITY OF CLARKSBURG, TO WIT:

I, Annette M. Wright, Clerk of said City of Clarksburg, certify that CHARLES O. THAYER III this day in said City personally appeared before me, and being by me duly sworn, deposes and says: that he was on the 24th day of July, 2012 appointed as a member of the Water Board of the City of Clarksburg, in said County of Harrison, to fill the unexpired term of Gary M. Hamrick, a resigning member, which will expire on June 30, 2015, and that he will support the Constitution of the United States, the Constitution of the State of West Virginia and the Charter of the City of Clarksburg, and that he will faithfully discharge the duties of his office of Water Board member of the City of Clarksburg, to the best of his skill and judgment, so help him God.

Charles O. Thayer III

Charles O. Thayer III

Taken, subscribed and sworn to before me, in said City and County on this 16th day of August, 2012.

Annette M. Wright

Annette M. Wright, City Clerk

CLARKSBURG WATER BOARD

RESOLUTION

A RESOLUTION APPROVING AND AUTHORIZING THE REFUNDING OF THE CITY OF CLARKSBURG'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE ISSUANCE, SALE AND DELIVERY OF THE WATER REFUNDING REVENUE BONDS, SERIES 2013, IN ONE OR MORE SERIES, OF THE CITY OF CLARKSBURG IN ORDER TO ACCOMPLISH SUCH REFUNDING AND PAY THE COSTS OF ISSUANCE OF SUCH REFUNDING BONDS AND RELATED COSTS; APPROVING THE EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE SALE AND DELIVERY OF SUCH REFUNDING BONDS; REQUESTING ENACTMENT BY THE CITY OF AN ORDINANCE AUTHORIZING AND APPROVING SUCH REFUNDING BONDS; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the municipal waterworks system (the "System") of the City of Clarksburg (the "City") is operated, maintained and managed by the Clarksburg Water Board (the "Board");

WHEREAS, the Board proposes the refunding and redemption in full of the City's outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds") and the issuance of Water Refunding Revenue Bonds, Series 2013, in one or more series (the "Refunding Bonds") by the City for the purpose of financing the refunding and redemption in full of the Series 2002 Bonds and paying costs of issuance of such Refunding Bonds and related costs;

WHEREAS, the Bonds are proposed to be purchased by Crews & Associates, Inc., Morgantown, West Virginia (the "Original Purchaser") pursuant to a Bond Purchase Agreement to be by and among the City, the Water Board and the Original Purchaser; and

WHEREAS, the Water Board desires to proceed with all reasonable dispatch with the refunding of the Series 2002 Bonds and the issuance by the City of its Refunding Bonds for such purpose and to request and authorize the City to proceed with all necessary approvals and the execution and delivery of all documents which are necessary for the issuance of the Refunding Bonds and the refunding and redemption in full of the Series 2002 Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CLARKSBURG WATER BOARD AS FOLLOWS:

Section 1. Pursuant to the City Charter of the City, this Resolution is hereby adopted and the Board hereby authorizes and approves the refunding and redemption in full of the Series 2002 Bonds

and the financing thereof through the issuance of the Refunding Bonds by the City, in one or more series, to be issued pursuant to the provisions of Chapter 8, Article 19 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended, and other applicable provisions of law, such Bonds to be in an amount not to exceed $12,000,000, and issued in one or more series;

Section 2. The Board hereby requests that the City enact an ordinance and all necessary resolutions supplemental thereto directing that the Refunding Bonds be issued (the "Ordinance").

Section 3. The Board hereby requests that the City authorize, execute and deliver the Bonds in accordance with the terms set forth in the Ordinance and execute and deliver all other documents and take all further action necessary or desirable for the timely refunding and redemption in full of the Series 2002 Bonds and the issuance of the Refunding Bonds.

Section 4. The General Manager, President and Secretary of the Board are hereby authorized and directed to execute and deliver such documents and certificates required or desirable in connection with the issuance of the Refunding Bonds hereby and by the Ordinance approved and provided for.

Section 5. The Board hereby approves the appointment and engagement of Steptoe & Johnson PLLC as bond counsel for the issuance of the Refunding Bonds and Crews & Associates, Inc. as underwriter for the issuance of the Refunding Bunds and the current refunding and redemption in full of the Series 2002 Bonds.

Section 6. This Resolution shall be effective immediately upon adoption.

Adopted this January 22, 2013.

By: _____
President, Clarksburg Water Board

CERTIFICATION

The undersigned hereby certifies that he is the duly qualified and acting SECRETARY-TREASURER of CLARKSBURG WATER BOARD, and that the foregoing resolution is a true, accurate and complete copy of the resolution duly adopted by the Clarksburg Water Board at a regular meeting of the Board held on January 22, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout, which resolution has not been amended, modified or rescinded and is in full force and effect as of the date hereof.

Dated: January 22, 2013.

By: _____
Secretary-Treasurer

6171697

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

SUPPLEMENTAL PARAMETERS RESOLUTION OF CLARKSBURG WATER BOARD

SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES AND OTHER TERMS OF THE WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO THE ORIGINAL PURCHASER; APPROVING THE APPOINTMENT OF A REGISTRAR AND PAYING AGENT FOR SUCH BONDS; APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT AND THE USE THEREOF IN THE SALE OF THE BONDS; APPROVING THE BOND AUTHORIZING ORDINANCE OF THE CITY OF CLARKSBURG AND THE COMPLIANCE BY THE BOARD OF THE PROVISIONS THEREOF APPLICABLE TO THE BOARD; PROVIDING FOR THE APPROVAL OF THE MATERIAL TERMS OF THE BONDS AND THE FORM OF CERTAIN BOND DOCUMENTS PURSUANT TO A CERTIFICATE OF DETERMINATIONS AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the municipal waterworks system (the "System") of the City of Clarksburg (the "City") is operated, maintained and managed by the Clarksburg Water Board (the "Board");

WHEREAS, the Board proposes the refunding and redemption in full of the City's outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds") and the issuance of Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds" or "Bonds") by the City for the purposes of financing the current refunding and redemption in full of the Series 2002 Bonds, funding a reserve fund for the Series 2013 A Bonds and paying costs of issuance of such Series 2013 A Bonds and related costs;

WHEREAS, the Board has duly and officially adopted on January 22, 2013, a Resolution (the "Resolution") entitled:

A RESOLUTION APPROVING AND AUTHORIZING THE REFUNDING OF THE CITY OF CLARKSBURG'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE ISSUANCE, SALE AND DELIVERY OF THE WATER REFUNDING REVENUE BONDS, SERIES 2013, IN ONE OR MORE SERIES, OF THE CITY OF CLARKSBURG IN ORDER TO ACCOMPLISH SUCH REFUNDING AND PAY THE COSTS OF ISSUANCE OF SUCH REFUNDING BONDS AND RELATED COSTS; APPROVING THE EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE SALE AND DELIVERY OF SUCH REFUNDING BONDS; REQUESTING ENACTMENT BY THE CITY OF AN ORDINANCE AUTHORIZING AND APPROVING SUCH REFUNDING BONDS; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, following the enactment of the Resolution by the Board and upon the request of the Board as provided in the Resolution, the City has enacted a Bond Ordinance on March 7, 2013 (the "Bond Ordinance") entitled as follows:

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS

AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Resolution and the Bond Ordinance provide for the issuance by the City of its Series 2013 A Bonds in an aggregate principal amount not to exceed $10,000,000 in accordance with Chapter 8, Article 19 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act");

WHEREAS, the Board and the City are advised that current market conditions are such that interest savings would be realized from the current refunding by the City of its outstanding Series 2002 Bonds and the Board and the City have determined that it is currently in the best interest of the water rate payers of the System and the residents of the City to currently refund the Series 2002 Bonds pursuant to the issuance by the City of its Series 2013 A Bonds;

WHEREAS, the Board desires to adopt this Supplemental Parameters Resolution in order to approve the parameters of certain material terms of the Series 2013 A Bonds, to approve the Bond Ordinance which has been enacted by the City and the compliance by the Board of the terms thereof which are applicable to the Board, to approve the form of the Preliminary Official Statement for the Series 2013 A Bonds and the use thereof and the use of the Official Statement in the sale of the Series 2013 A Bonds, to approve the appointment of a Registrar, Paying Agent and Depository Bank for the Series 2013 A Bonds and to provide for the approval of the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Series 2013 A Bonds and the forms of certain bond documents pursuant to the execution and delivery by the President of the Board and the Mayor and City Manager of the City of a Certificate of Determinations of the Board and the City, the form of which is attached hereto and made a part hereof as Exhibit A (the "Certificate of Determinations");

WHEREAS, the Bonds are proposed to be purchased by Crews & Associates, Inc., Morgantown, West Virginia (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the City, to be dated the date of execution thereof (the "Bond Purchase Agreement");

WHEREAS, the Board has determined that, in order to obtain the best possible savings for the Board and the City in the current interest rate environment, the President of the Board shall be empowered and authorized to execute and deliver the Certificate of Determinations thereby approving certain material terms of the Bonds within the parameters set forth herein, at such time as the President of the Board shall determine most advantageous to the Board and the City, or not at all; and

WHEREAS, the Board deems it essential and desirable that this supplemental parameters resolution (the "Supplemental Parameters Resolution") be adopted, that the parameters for the material Bond terms be hereby established, that the Bond Ordinance of the

City and the compliance by the Board with the terms thereof which are applicable to the Board be approved, that the form of the Preliminary Official Statement and the use of the Official Statement in connection with the marketing and sale of the Bonds be hereby approved, that the President of the Board be authorized to execute and deliver a Certificate of Determinations with respect to the Bonds which approves the material terms of the Bonds and the forms of certain bond documents, that the President of the Board be authorized to execute and deliver all documents that may be necessary in connection with the issuance of the Bonds and the current refunding of the Series 2002 Bonds and that other matters relating to the Bonds be herein provided for all in accordance with the Resolution and the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CLARKSBURG WATER BOARD:

SECTION 1. For the purposes of (i) paying the entire outstanding principal balance of and all accrued interest on the City's outstanding Series 2002 Bonds, (ii) funding a debt service reserve account for the Series 2013 A Bonds, and (iii) paying costs of issuance of the Series 2013 A Bonds and related costs, the Board hereby authorizes and requests the issuance by the City of its Series 2013 A Bonds in an aggregate principal amount not to exceed $10,000,000, provided that the Net Present Value of the savings of such refunding shall not be less than 3.0%.

SECTION 2. Pursuant to the Resolution and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued by the City the Series 2013 A Bonds. The Series 2013 A Bonds are authorized to be issued by the City in the aggregate principal amount not to exceed $10,000,000, at a rate of interest not to exceed 6% per annum, payable semiannually on March 1 and September 1 of each year, and shall mature on September 1 in such years, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates (with final maturity no later than September 1, 2019) shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor and City Manager of the City and the President of the Board pursuant to the execution and delivery by the Mayor and City Manager of the City and the President of the Board of a Certificate of Determinations with respect to the Bonds, the form of which is attached hereto as EXHIBIT A and approved hereby (the "Certificate of Determinations"); and shall be substantially in the form set forth in the Bond Ordinance, provided however, that the specific terms of the Series 2013 A Bonds shall be as determined by the Mayor and City Manager of the City and the President of the Board at the time of the execution of the Bond Purchase Agreement and as approved by the Mayor and City Manager of the City and the President of the Board in the Certificate of Determinations. All other provisions relating to the Series 2013 A Bonds shall be as provided in the Bond Ordinance.

SECTION 3. Proceeds of the Bonds shall be expended solely for the purposes set forth in the Bond Ordinance and the Resolution.

SECTION 4. The Board hereby approves the form of the Bond Ordinance which has been enacted by the City and approves the compliance by the Board and all of its officers and employees with the terms, covenants, representations and agreements which are contained in the

Bond Ordinance and which are applicable to the Board and the execution of the Bond Ordinance by the President of the Board to indicate the approval of the Bond Ordinance by the Board.

SECTION 5. The Board is advised and hereby finds that based upon the assumed principal amount, maturity schedule and interest rates for the Series 2013 A Bonds presented to the Board by the Original Purchaser, the Series 2013 A Bonds show a net present value debt service savings to the City after deducting all expenses of the refunding of the Series 2002 Bonds and the costs of issuing the Series 2013 A Bonds.

SECTION 6. The Bond Purchase Agreement by and between the Original Purchaser and the City, and agreed to by the Board, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the City and the President of the Board of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager of the City and the President of the Board shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager of the City and the President of the Board shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the City and the President of the Board. The execution of the Bond Purchase Agreement by the Mayor and City Manager of the City and the President of the Board shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Bonds, including the payment of all necessary fees and expenses in connection therewith.

SECTION 7. The Continuing Disclosure Agreement by and among the City, the Board and WesBanco Bank, Inc., as dissemination agent (the "Dissemination Agent"), substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the City and the President of the Board of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager of the City and the President of the Board shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager of the City and the President of the Board shall execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the City and the President of the Board. The execution of the Continuing Disclosure Agreement by the Mayor and City Manager of the City and the President of the Board shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Continuing Disclosure Agreement relating to the issuance and sale of the Bonds, including the payment of all necessary fees and expenses in connection therewith.

SECTION 8. The distribution by the Original Purchaser of a Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), substantially in the form submitted to this meeting is hereby ratified and approved. The certificate of the City relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor and City Manager of the City is hereby approved. The Official Statement to be substantially in the form of the Preliminary Official Statement, (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor and City Manager of the City and the President of the Board) and the distribution of counterparts

or copies thereof by the Original Purchaser are hereby approved. The Mayor and City Manager of the City and the President of the Board shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved. The execution of the Official Statement by the Mayor and City Manager of the City and the President of the Board shall be conclusive evidence of any approval required by this Section.

SECTION 9. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the City in connection with the issuance of the Bonds.

SECTION 10. The firm of Crews & Associates, Inc., Morgantown, West Virginia, is hereby appointed as the Underwriter and Original Purchaser of the Series 2013 A Bonds.

SECTION 11. The Board hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia, as the Paying Agent for the Series 2013 A Bonds.

SECTION 12. The Board hereby appoints and designates WesBanco Bank, Inc., Clarksburg, West Virginia, as the Depository Bank for the Bonds.

SECTION 13. The Board hereby appoints and designates WesBanco Bank, Inc., Wheeling, West Virginia, as the Registrar for the Bonds.

SECTION 14. The President, Secretary and General Manager of the Board are hereby authorized and directed to execute and deliver such other documents and certificates, required or desirable in connection with the Bonds to the end that the Bonds may be delivered on a timely basis to the Original Purchaser pursuant to the Bond Purchase Agreement.

SECTION 15. The notice addresses for the Depository Bank, Paying Agent, Registrar and Original Purchaser shall be as follows:

DEPOSITORY BANK

WesBanco Bank, Inc.
140 West Main Street
Clarksburg, West Virginia 26301
Attention: Branch Manager

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attention: Executive Director

REGISTRAR

WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Corporate Trust Department

ORIGINAL PURCHASER

Crews & Associates, Inc.
150 Clay Street, Suite 410
Morgantown, West Virginia 26501

SECTION 16. The issuance of the 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 17. The Mayor, City Manager and City Clerk of the City, and all other appropriate officers and employees of the City and the President, Secretary and General Manager of the Board and all other appropriate officers and employees of the Board are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Series 2013 A Bonds to be duly and properly issued by the City and delivered to the Original Purchaser as herein authorized and to otherwise facilitate the transaction contemplated by this Supplemental Parameters Resolution, and no further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

SECTION 18. This Supplemental Parameters Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Blank]

Adopted this 26th day of March, 2013.

CLARKSBURG WATER BOARD

By: _____

Its: President

CERTIFICATION

The undersigned hereby certifies that he is the duly qualified and acting SECRETARY-TREASURER of CLARKSBURG WATER BOARD, and that the foregoing resolution is a true, accurate and complete copy of the resolution duly adopted by the Clarksburg Water Board at a regular meeting of the Board held on March 26, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout, which resolution has not been amended, modified or rescinded and is in full force and effect as of the date hereof.

Dated: March 26, 2013.

By: _____
Secretary-Treasurer

155510.00031

January 22, 2013

8459

The regular Board meeting of the Clarksburg Water Board was held on Tuesday, January 22, 2013 at 2:30 p.m., at the offices of the Board, 1001 South Chestnut Street, Clarksburg, West Virginia 26301.

Board Members Present:	Albert N. Cox II	Board President
	John P. (Jack) Keeley III	Board Member
	Charles O. Thayer II	Board Member
Others Present:	Richard D. Welch	General Manager
	Timothy Stranko	General Counsel
	Matt Fluharty, PE	Thrasher Engineering, Inc.
	Linda L. Hughes	Director of Finance
	Jason Ferrell	Asst. Director of Finance
	Robert Steptoe	Crews & Associates
	Tom Aman	Steptoe & Johnson, Bond Council
	Kathy Fazzini	Executive Secretary
	Jim Davis	Media

1. **Call to Order and Roll Call:**

   Mr. Cox, Board President called the meeting to order and proceeded with the roll.

2. **Pledge of Allegiance:**

   Jason Ferrell led the pledge of allegiance.

3. **PROCLAMATIONS:**

4. **PETITIONS, COMMUNICATIONS AND PUBLIC HEARINGS:**

5. **APPROVAL OF MINUTES:** There being no corrections, additions or deletions to the minutes of the regular Board meeting of January 8, 2013. **A MOTION** was made by Mr. Thayer, seconded by Mr. Cox and carried, approving the minutes as presented.

6. **Richard D. Welch, General Manager's Report / Update:**

1. Consideration of adoption of a Resolution of the Clarksburg Water Board which would authorize the refunding and redemption in full of the City of Clarksburg's outstanding Water Refunding Revenue Bonds, Series 2002" the issuance by the City of Clarksburg of its Water Refunding Revenue Bonds, Series 2013, in on e or more series, for the purpose of financing such refunding of the Series 2013 Bonds and related costs; authorizing the taking of all necessary actions by the City and by the Clarksburg Water Board in connection with the refunding of the Series 2002 Bonds and the issuance of the Refunding Bonds.

Mr. Welch," Under Exhibit # 1 you will find a bond resolution prepared by Tom Aman, Toothman & Rice. Supporting the Resolution under Exhibit # 2 you will find our CPA's certificate prepared by our auditors, Perry & Associates. Mr. Aman will review these documents with you before voting on the Resolution."

Mr. Steptoe," Final maturity will still be in 2019 so that is a good thing. This is not going to be any additional debt load for the Water Board back, you are freeing up savings, and you are lowering your debt service and ultimately you are helping the rate payers with this refinancing."

Mr. Stranko," So the outcome of the refunding will be a savings to the Clarksburg Water Board customers over the life of the debt, at $166,000?"

Mr. Steptoe," That is what we are projecting. I want to clarify that down here the line items and numbers on the right hand side and below that the debt service table on PVA (Present Value Analysis), so you are looking at your gross total savings, but in order to find out what the true savings are you need to net out certain existing funds that you all have whether it is a reserve fund or an invested earning. That first one is a net of $765,000 roughly from your gross and you carry that number down and then below that is another $791,469 that is another netted out transfer of your prior debt service fund, your payments fund, so what you come out with at the bottom is $808,861. $808,000 is less but that is a present value projection basically a dollar today is worth more than a dollar tomorrow. Say today's money is $866,000, but over the next seven (7) years $808,000 is the true real value of the savings. The net PV benefit on the funded principle and the Net PV benefit on the refunding principle, the top number is the to look at and that is 7.692 percent. After you net out the cost of issuing the bonds, all of the cost involved the industry recommends that the savings after netting all of the cost out to be at least 3 percent and that varies state by state Pennsylvania is only 2 percent and West Virginia is more conservative at 3 percent. So you are looking at 7.692 and that is more than double what they recommend, as far as the

threshold whether it is cost beneficial to do a refund or not. That is where we are right now is the cost beneficial. We see no reason why to hesitate at this point now that we have gotten the covered certification and the phased in rate increases. Everything is getting put in place now in a favorable way for the Board to take advantage of the interest rates. The following page is debt service to maturity and that is just basically a snapshot of your existing debt; principle payments, interest payments, the coupon or interest rate you are paying off on the debt. The key line item down below those numbers to look at is, your average coupon or your average interest rate that you are paying on the loan that 5.23. That is your current average coupon or current average interest rate. If you turn back to the first page, the Refunding Summary you will see the average coupon under Bond Statistics and that 2.1 percent is what we are projecting your average coupon or your average interest rate will be on the new debt versus a 5.2. The other thing that I would like to speak to you about is on the next page is another snapshot on the Summary of Bonds Refunded. That is just the coupons and how the bonds are distributed, sold in terms of either serial bonds or term bonds. The last page is the Current Refunding Escrow page, which is page 6. That is the pay-off amount and the number at the bottom is your yield for arbitrage purposes, which is the yield cap you can't earn over that 2.11, which is the average coupon we are projecting to pay off your bonds."

Following some discussion, Mr. Aman said," This is an authorization to move the process forward and not committing the Board to anything. If the Board were to decide to adopt the resolution then we would present this to the City. The City following discussion would then schedule the three readings and a public hearing on the Bond Ordinance."

Mr. Cox, Board President asked that Mr. Steptoe and Mr. Aman communicate with the city officials explaining the refinancing package with them.

A MOTION was made by Mr. Keeley, seconded by Mr. Thayer and unanimously carried, adopting a RESOLUTION APPROVING AND AUTHORIZING THE REFUNDING OF THE CITY OF CLARKSBURG'S OUTSTANDING WATER REFUNDING REVENEUE BONDS, SERIES 2002 AND THE ISSUANCE, SALE AND DELIVERY OF THE WATER REFUNDING REVENUE BONDS, SERIES 2012, IN ONE OR MORE SERIES, OF THE CITY OF CLARKSBURG IN ORDER TO ACCOMPLISH SUCH REFUNDING AND BONDS AND RELATED COSTS; APPROVING THE EXECUTION AND DELIVERY OF SUCH REFUNDING BONDS;REQUESTING ENACTMENT BY THE CITY OF AN ORDINANCE AUTHORIZING AND APPROVING SUCH REFUNDING BONDS; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

The Board thanked Mr. Steptoe and Mr. Aman, and moved forward with the remaining agenda items.

2. Financial Reports as of December 31, 2012:

Mr. Welch," Under Exhibit # 3 I would like to point out that our projected annual debt service coverage factor for 2013 is 1.24% which is above the required 1.20%. Our audit report for Years Ending June 30, 2012 and 2011 performed by Perry & Associates was provided to you in your previous packet. We will answer any questions regarding the audit. As noted in the audit, as of November 2012 the full amount of the bond deficiency had been eliminated. Regular Bond Payments continue to be made in a timely manner as well as the sinking fund deposits which amount to 5% of our Gross Revenue. We are now compliant with the Bond Ordinance and have implemented checks and balances to avoid a repeat of this incident."

Mrs. Hughes stated that as of December 31st the Board's revenues were slightly more than 50% of the budget with expenses at 40%.

3. Consideration of going into executive session under the attorney/client privilege exception to the Sunshine Law to discuss a personnel issue WV Code 6-9A-4(b)(5)

The Board moved this item to the end of the meeting and moved forward with the next agenda item.

7. **Matt Fluharty P.E., Thrasher Engineering Update:**

Mr. Fluharty," At the last meeting I presented you with a rough cost estimate on placing a roof over the sediment basin's which are presently not covered. This estimate was based on building off of the existing walls that are there now and if the structure can't support it this is what we are proposing to do. Further investigation is going to be needed to determine that, but at this point based on the information that we have been provided it is approximately $810,000 to build that room. We will put in a garage door for easier removal of equipment in or out, it includes heating, ventilation, electrical, and whatever might be needed to close in that room. The total cost of the project is 1.2 million."

Following some discussion the Board thanked Mr. Fluharty for his report and moved forward with the next agenda item.

3. Consideration of going into executive session under the attorney/ client privilege exception to the Sunshine Law to discuss a personnel issue (WV Code 6-9A-4(b)(5)

A MOTION was made by Mr. Keeley, seconded by Mr. Thayer and unanimously carried to go into executive session under the attorney/client privilege exception to the Sunshine Law to discuss a personnel issue (WV Code 6-9A-4(b)(5).

The Board returned to regular session with no action taken.

8. **Adjournment:** There being no more business to come before the Board, **A MOTION** was made by Mr. Thayer seconded by Mr. Keeley and unanimously carried, adjourning the regular Board meeting of Tuesday, January 22, 2013.

Secretary

President

March 26, 2013

The regular board meeting of the Clarksburg Water Board was held on Tuesday, March 26, 2013 at 2:30 p.m., at the offices of the Board, 1001 South Chestnut Street, Clarksburg, West Virginia 26301.

Board Members Present:	Albert N. Cox II	Board President
	Charles o. Thayer III	Board Member
Absent:	John P. (Jack) Keeley, II	Board Member
Others Present:	Richard D. Welch	General Manager
	Timothy Stranko	General Counsel
	Tom Aman, Esquire	Steptoe & Johnson
	Kathy L. Fazzini	Executive Secretary
	T. David Franklin	Citizen
	Media	

1. **Call to Order and Roll Call:**

   Mr. Cox, Board President called the meeting to order and proceeded with the roll call.

   Mr. Cox stated that Mr. Keeley had an excused absence.

2. **Pledge of Allegiance:**

   Mr. Welch led the pledge of allegiance.

3. **Proclamations:**

4. **Petitions, Communications and Public Hearing:**

5. **Approval of Minutes:** There being no correction, additions or deletions to the minutes of the regular meeting of Tuesday, March 12, 2013, **A MOTION** was made by Mr. Thayer, seconded by Mr. Cox and carried, *approving the minutes as presented.*

6. **Richard D. Welch, General Manager's Report / Update:**

1. To consider for adoption a Supplemental Parameters Resolution of the Clarksburg Water Board which would authorize and approve the sale and delivery by the City of Clarksburg of its Water Refunding Revenue Bonds Series 2013 A (Tax-Exempt) to the original purchaser, appoint a registrar and paying agent for such Bonds, approving the form of a Preliminary Official Statement for the Bonds, providing for the approval of the material bond terms and the forms of certain bond documents pursuant to a Certificate of Determinations and make other provisions as to the Bonds.

Mr. Welch," For your consideration for adoption is the Supplemental Parameters Resolution for the bond refunding prepared by Tom Aman. For review and discussion under Exhibit No. 1 (under separate cover) are the Official Statement and Bond Purchase Agreement for the Refunding Bonds prepared by Tom Aman. Under Exhibit No. 2 you will find the cost of issuance for the bond refunding and under Exhibit No. 3 you will find the Time Table of Events for refunding the bonds. Tom is present today to review these documents with you and answer any questions you may have."

Mr. Aman reviewed and discussed with the Water Board members, the Supplemental Parameters Resolution. Mr. Aman stated that this was the final approval of the bond transaction, and that the City of Clarksburg would be issuing $9.2 million in bonds not to exceed 6 percent. Mr. Aman added that the interest rates had gone up a little but were lower than the 5.5 percent that the Board was presently paying. He (Aman) said that savings were still solid with the latest rates the Board can save at $826,000 in reduced debt payments over seven years and with the debt service payment at 115 percent down from the current 120 percent, which reduces the amount the Board needs to keep on hand in excess of the debt payments. Mr. Aman provided a time-table in regard to marketing the bond documents April 2nd, executing a Bond Purchase Agreement and Certificate of Determinations April 9th with a closing date of April 26, 2013.

Following review and discussion, **A MOTION** was made by Mr. Thayer, seconded by Mr. Cox and carried approving the adoption of the SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINICIPAL PAYMENT DATES AND OTHER TERMS OF THE WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO THE ORIGINAL PURCHASER; APPROVING THE APPOINTMENT OF A REGISTRAR AND PAYING AGENT FOR SUCH BONDS; APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT AND THE USE THEREOF IN THE SALE OF THE BONDS; APPROVING THE BOND

AUTHORIZING ORDINANCE OF THE CITY OF CLARKSBURG AND THE COMPLIANCE BY THE BOARD OF THE PROVISIONS THEREOF APPLICABLE TO THE BOARD; PROVIDING FOR THE APPROVAL OF THE MATERIAL TERMS OF THE BONDS AND THE FORM OF CERTAIN BOND DOCUMENTS PURSUANT TO A CERTIFICATE OF DETERMINATIONS AND MAKING OTHER PROVISIONS AS TO THE BONDS.

(A copy of the Supplemental Parameters Resolution follows on page(s) 4 - 12

2. Reaffirm support of creating a Water Infrastructure Finance and Innovation Authority (WIFIA) as part of the Water Resources Development Act of 2013.

Mr. Welch," Under Exhibit No. 5 Is a copy of a resolution supporting draft WIFIA legislation that I provided you with last year for adoption by the Board. The American Water Works Association (AWWA) has been working for the passage of WIFIA for three years and views a recent development as a tremendous step forward In addressing the water infrastructure challenge. Last week we learned that the U.S. Senate Environmental and Public Works Committee approved a bill that would create the WIFIA as part of the Water Resources Development Act of 2013. With your permission I will send a letter, which I have provided for your review to our Senators asking them to support the bill. The bill Is expected to reach the Senate floor for debate and a vote by May of 2013. If enacted into law, WIFIA would make low-interest federal loans available to address large water Infrastructure projects In communities across the United States. To emphasis the problem, the American Society of Civil Engineers released its 2013 Report Card for America's Infrastructure last week and assigned grades of "D" to both water and wastewater Infrastructure."

On a recommendation by Mr. Welch, and following some discussion, **A MOTION** was made by Mr. Thayer, seconded by Mr. Cox and carried approving the reaffirmation to support a Water Infrastructure Finance and Innovation Authority (WIFIA) as part of the Water Resources Development Act of 2013 and send letters to U.S. Senators Jay Rockefeller and Joe Manchin democrats for the State of West Virginia.

3. **Progress Report / Updates:**

1. Leak Report for February 2013:

Mr. Welch," Under Exhibit No. 4 you will find our Leak Report for February showing we repaired 10 waterline leaks with a total water loss of 419,000 gallons. The age of the lines repaired date from 1926 to 1989."

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

SUPPLEMENTAL PARAMETERS RESOLUTION OF CLARKSBURG WATER BOARD

SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES AND OTHER TERMS OF THE WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO THE ORIGINAL PURCHASER; APPROVING THE APPOINTMENT OF A REGISTRAR AND PAYING AGENT FOR SUCH BONDS; APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT AND THE USE THEREOF IN THE SALE OF THE BONDS; APPROVING THE BOND AUTHORIZING ORDINANCE OF THE CITY OF CLARKSBURG AND THE COMPLIANCE BY THE BOARD OF THE PROVISIONS THEREOF APPLICABLE TO THE BOARD; PROVIDING FOR THE APPROVAL OF THE MATERIAL TERMS OF THE BONDS AND THE FORM OF CERTAIN BOND DOCUMENTS PURSUANT TO A CERTIFICATE OF DETERMINATIONS AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the municipal waterworks system (the "System") of the City of Clarksburg (the "City") is operated, maintained and managed by the Clarksburg Water Board (the "Board");

WHEREAS, the Board proposes the refunding and redemption in full of the City's outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds") and the issuance of Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds" or "Bonds") by the City for the purposes of financing the current refunding and redemption in full of the Series 2002 Bonds, funding a reserve fund for the Series 2013 A Bonds and paying costs of issuance of such Series 2013 A Bonds and related costs;

WHEREAS, the Board has duly and officially adopted on January 22, 2013, a Resolution (the "Resolution") entitled:

A RESOLUTION APPROVING AND AUTHORIZING THE REFUNDING OF THE CITY OF CLARKSBURG'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE ISSUANCE, SALE AND DELIVERY OF THE WATER REFUNDING REVENUE BONDS, SERIES 2013, IN ONE OR MORE SERIES, OF THE CITY OF CLARKSBURG IN ORDER TO ACCOMPLISH SUCH REFUNDING AND PAY THE COSTS OF ISSUANCE OF SUCH REFUNDING BONDS AND RELATED COSTS; APPROVING THE EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE SALE AND DELIVERY OF SUCH REFUNDING BONDS; REQUESTING ENACTMENT BY THE CITY OF AN ORDINANCE AUTHORIZING AND APPROVING SUCH REFUNDING BONDS; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, following the enactment of the Resolution by the Board and upon the request of the Board as provided in the Resolution, the City has enacted a Bond Ordinance on March 7, 2013 (the "Bond Ordinance") entitled as follows:

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS

AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Resolution and the Bond Ordinance provide for the issuance by the City of its Series 2013 A Bonds in an aggregate principal amount not to exceed $10,000,000 in accordance with Chapter 8, Article 19 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act");

WHEREAS, the Board and the City are advised that current market conditions are such that interest savings would be realized from the current refunding by the City of its outstanding Series 2002 Bonds and the Board and the City have determined that it is currently in the best interest of the water rate payers of the System and the residents of the City to currently refund the Series 2002 Bonds pursuant to the issuance by the City of its Series 2013 A Bonds;

WHEREAS, the Board desires to adopt this Supplemental Parameters Resolution in order to approve the parameters of certain material terms of the Series 2013 A Bonds, to approve the Bond Ordinance which has been enacted by the City and the compliance by the Board of the terms thereof which are applicable to the Board, to approve the form of the Preliminary Official Statement for the Series 2013 A Bonds and the use thereof and the use of the Official Statement in the sale of the Series 2013 A Bonds, to approve the appointment of a Registrar, Paying Agent and Depository Bank for the Series 2013 A Bonds and to provide for the approval of the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Series 2013 A Bonds and the forms of certain bond documents pursuant to the execution and delivery by the President of the Board and the Mayor and City Manager of the City of a Certificate of Determinations of the Board and the City, the form of which is attached hereto and made a part hereof as Exhibit A (the "Certificate of Determinations");

WHEREAS, the Bonds are proposed to be purchased by Crews & Associates, Inc., Morgantown, West Virginia (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the City, to be dated the date of execution thereof (the "Bond Purchase Agreement");

WHEREAS, the Board has determined that, in order to obtain the best possible savings for the Board and the City in the current interest rate environment, the President of the Board shall be empowered and authorized to execute and deliver the Certificate of Determinations thereby approving certain material terms of the Bonds within the parameters set forth herein, at such time as the President of the Board shall determine most advantageous to the Board and the City, or not at all; and

WHEREAS, the Board deems it essential and desirable that this supplemental parameters resolution (the "Supplemental Parameters Resolution") be adopted, that the parameters for the material Bond terms be hereby established, that the Bond Ordinance of the

City and the compliance by the Board with the terms thereof which are applicable to the Board be approved, that the form of the Preliminary Official Statement and the use of the Official Statement in connection with the marketing and sale of the Bonds be hereby approved, that the President of the Board be authorized to execute and deliver a Certificate of Determinations with respect to the Bonds which approves the material terms of the Bonds and the forms of certain bond documents, that the President of the Board be authorized to execute and deliver all documents that may be necessary in connection with the issuance of the Bonds and the current refunding of the Series 2002 Bonds and that other matters relating to the Bonds be herein provided for all in accordance with the Resolution and the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CLARKSBURG WATER BOARD:

SECTION 1. For the purposes of (i) paying the entire outstanding principal balance of and all accrued interest on the City's outstanding Series 2002 Bonds, (ii) funding a debt service reserve account for the Series 2013 A Bonds, and (iii) paying costs of issuance of the Series 2013 A Bonds and related costs, the Board hereby authorizes and requests the issuance by the City of its Series 2013 A Bonds in an aggregate principal amount not to exceed $10,000,000, provided that the Net Present Value of the savings of such refunding shall not be less than 3.0%.

SECTION 2. Pursuant to the Resolution and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued by the City the Series 2013 A Bonds. The Series 2013 A Bonds are authorized to be issued by the City in the aggregate principal amount not to exceed $10,000,000, at a rate of interest not to exceed 6% per annum, payable semiannually on March 1 and September 1 of each year, and shall mature on September 1 in such years, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates (with final maturity no later than September 1, 2019) shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor and City Manager of the City and the President of the Board pursuant to the execution and delivery by the Mayor and City Manager of the City and the President of the Board of a Certificate of Determinations with respect to the Bonds, the form of which is attached hereto as EXHIBIT A and approved hereby (the "Certificate of Determinations"); and shall be substantially in the form set forth in the Bond Ordinance, provided however, that the specific terms of the Series 2013 A Bonds shall be as determined by the Mayor and City Manager of the City and the President of the Board at the time of the execution of the Bond Purchase Agreement and as approved by the Mayor and City Manager of the City and the President of the Board in the Certificate of Determinations. All other provisions relating to the Series 2013 A Bonds shall be as provided in the Bond Ordinance.

SECTION 3. Proceeds of the Bonds shall be expended solely for the purposes set forth in the Bond Ordinance and the Resolution.

SECTION 4. The Board hereby approves the form of the Bond Ordinance which has been enacted by the City and approves the compliance by the Board and all of its officers and employees with the terms, covenants, representations and agreements which are contained in the

Bond Ordinance and which are applicable to the Board and the execution of the Bond Ordinance by the President of the Board to indicate the approval of the Bond Ordinance by the Board.

SECTION 5. The Board is advised and hereby finds that based upon the assumed principal amount, maturity schedule and interest rates for the Series 2013 A Bonds presented to the Board by the Original Purchaser, the Series 2013 A Bonds show a net present value debt service savings to the City after deducting all expenses of the refunding of the Series 2002 Bonds and the costs of issuing the Series 2013 A Bonds.

SECTION 6. The Bond Purchase Agreement by and between the Original Purchaser and the City, and agreed to by the Board, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the City and the President of the Board of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager of the City and the President of the Board shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager of the City and the President of the Board shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the City and the President of the Board. The execution of the Bond Purchase Agreement by the Mayor and City Manager of the City and the President of the Board shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Bonds, including the payment of all necessary fees and expenses in connection therewith.

SECTION 7. The Continuing Disclosure Agreement by and among the City, the Board and WesBanco Bank, Inc., as dissemination agent (the "Dissemination Agent"), substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the City and the President of the Board of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager of the City and the President of the Board shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager of the City and the President of the Board shall execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the City and the President of the Board. The execution of the Continuing Disclosure Agreement by the Mayor and City Manager of the City and the President of the Board shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Continuing Disclosure Agreement relating to the issuance and sale of the Bonds, including the payment of all necessary fees and expenses in connection therewith.

SECTION 8. The distribution by the Original Purchaser of a Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), substantially in the form submitted to this meeting is hereby ratified and approved. The certificate of the City relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor and City Manager of the City is hereby approved. The Official Statement to be substantially in the form of the Preliminary Official Statement, (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor and City Manager of the City and the President of the Board) and the distribution of counterparts

or copies thereof by the Original Purchaser are hereby approved. The Mayor and City Manager of the City and the President of the Board shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved. The execution of the Official Statement by the Mayor and City Manager of the City and the President of the Board shall be conclusive evidence of any approval required by this Section.

SECTION 9. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the City in connection with the issuance of the Bonds.

SECTION 10. The firm of Crews & Associates, Inc., Morgantown, West Virginia, is hereby appointed as the Underwriter and Original Purchaser of the Series 2013 A Bonds.

SECTION 11. The Board hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia, as the Paying Agent for the Series 2013 A Bonds.

SECTION 12. The Board hereby appoints and designates WesBanco Bank, Inc., Clarksburg, West Virginia, as the Depository Bank for the Bonds.

SECTION 13. The Board hereby appoints and designates WesBanco Bank, Inc., Wheeling, West Virginia, as the Registrar for the Bonds.

SECTION 14. The President, Secretary and General Manager of the Board are hereby authorized and directed to execute and deliver such other documents and certificates, required or desirable in connection with the Bonds to the end that the Bonds may be delivered on a timely basis to the Original Purchaser pursuant to the Bond Purchase Agreement.

SECTION 15. The notice addresses for the Depository Bank, Paying Agent, Registrar and Original Purchaser shall be as follows:

DEPOSITORY BANK

WesBanco Bank, Inc.
140 West Main Street
Clarksburg, West Virginia 26301
Attention: Branch Manager

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attention: Executive Director

REGISTRAR

WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Corporate Trust Department

ORIGINAL PURCHASER

Crews & Associates, Inc.
150 Clay Street, Suite 410
Morgantown, West Virginia 26501

SECTION 16. The issuance of the 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 17. The Mayor, City Manager and City Clerk of the City, and all other appropriate officers and employees of the City and the President, Secretary and General Manager of the Board and all other appropriate officers and employees of the Board are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Series 2013 A Bonds to be duly and properly issued by the City and delivered to the Original Purchaser as herein authorized and to otherwise facilitate the transaction contemplated by this Supplemental Parameters Resolution, and no further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

SECTION 18. This Supplemental Parameters Resolution shall be effective immediately following adoption hereof.

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Adopted this 26th day of March, 2013.

CLARKSBURG WATER BOARD

By: _____

Its: President

CERTIFICATION

The undersigned hereby certifies that he is the duly qualified and acting SECRETARY-TREASURER of CLARKSBURG WATER BOARD, and that the foregoing resolution is a true, accurate and complete copy of the resolution duly adopted by the Clarksburg Water Board at a regular meeting of the Board held on March 26, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout, which resolution has not been amended, modified or rescinded and is in full force and effect as of the date hereof.

Dated: March 26, 2013.

By: _____
Secretary-Treasurer

155510.00031

2. Spring Fire Hydrant Flushing Program:

Mr. Welch," We will begin flushing hydrant next week in the Edgewood and Adamston area."

3. Automated Telephone System:

Mr. Welch," The message we use on our automated telephone call to customers pending disconnection has been changed following the guidelines recently established by the Public Service Commission. Automated calls are now being used by more water utilities as a cost effective way to satisfy the "personal contact" requirement by the Public Service Commission before termination of service. Our **old message read**: "This is a courteous call from the Clarksburg Water Board. Please call our office regarding your account." The **new message read**: "This is an important message from the Clarksburg Water Board regarding your water service. For reasons stated on the disconnect notice that we mailed to you within the past several days, your water service is subject to disconnection within the next thirty-six hours. Please contact our office as soon as possible at 304-623-3711 on Monday through Friday between the hours of 8 am and 4 pm."

7. **Adjournment:**

There being no more business to come before the Board, **A MOTION** was made by Mr. Thayer, seconded by Mr. Cox and unanimously carried, adjourning the regular Board meeting of Tuesday, March 26, 2013.

Secretary

President

AN ORDINANCE OF THE CLARKSBURG WATER BOARD ESTABLISHING AND FIXING RATES AND CHARGES FOR WATER SERVICE FOR CUSTOMERS OF THE WATER SYSTEM OF THE CLARKSBURG WATER BOARD, HARRISON COUNTY, WEST VIRGINIA.

WHEREAS, The Clarksburg Water Board deems the present customer rates and charges for the furnishing of water service throughout the entire territory served by the Clarksburg Water Board to be inadequate to provide sufficient revenue to the Clarksburg Water Board to maintain and operate the water system and to reasonable cover the cost of providing certain customer services; and

WHEREAS, The Clarksburg Water Board deems that an increase in rates and charges in necessary to provide sufficient revenues to the Clarksburg Water Board to maintain and operate the water system and to reasonably cover the cost of providing certain customer services; and

WHEREAS, the Clarksburg Water Board deems that the increase in rates and charges should be implemented in four steps, to reduce the impact on its residential, commercial and resale customers.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Board of the Clarksburg Water Board, Clarksburg, West Virginia are the following customer rates and charges:

SECTION 1.

RULES AND REGULATIONS

I. Rules and Regulations for the Government of Water Utilities, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.

SCHEDULE NO. 1

APPLICABILITY
Applicable to entire territory serviced.

AVAILABILITY OF SERVICE
Available for general domestic, commercial and industrial and public authorities.

STEP 1 RATES

RATE (Effective October 1, 2010)
CCF Metered

(I)	First	2,000	cu ft used per month	$	5.170	per 100 cu. ft.
(I)	Next	28,000	cu ft used per month		3.460	per 100 cu. ft.
(I)	All Over	30,000	cu ft used per month		2.420	per 100 cu. ft.

Gallons Metered

(I)	First	15,000	gallons used per month	$	6.960	per 1,000 gallons
(I)	Next	210,000	gallons used per month		4.670	per 1,000 gallons
(I)	All Over	225,000	gallons used per month		3.270	per 1,000 gallons

MINIMUM CHARGE

No bill shall be rendered for less than the following amounts according to the size of the meter installed, to wit:

	Meter Size		Minimum Charge	
(I)	5/8 " Meter	$	20.88	per month
(I)	1" Meter	$	38.98	per month
(I)	1 1/2" Meter	$	77.26	per month
(I)	2" Meter	$	123.55	per month
(I)	3" Meter	$	231.89	per month
(I)	4" Meter	$	386.94	per month
(I)	6" Meter	$	774.55	per month
(I)	8" Meter	$	1,240.43	per month

STEP 2 RATES

RATE (Effective October 1, 2011)

CCF Metered

(I)	First	2,000	cu ft used per month	$	5.390	per 100 cu. ft.
(I)	Next	28,000	cu ft used per month		3.600	per 100 cu. ft.
(I)	All Over	30,000	cu ft used per month		2.520	per 100 cu. ft.

Gallons Metered

(I)	First	15,000	gallons used per month	$	7.260	per 1,000 gallons
(I)	Next	210,000	gallons used per month		4.870	per 1,000 gallons
(I)	All Over	225,000	gallons used per month		3.410	per 1,000 gallons

MINIMUM CHARGE

No bill shall be rendered for less than the following amounts according to the size of the meter installed, to wit:

	Meter Size		Minimum Charge	
(I)	5/8 " Meter	$	21.78	per month
(I)	1" Meter	$	40.66	per month
(I)	1 1/2" Meter	$	80.59	per month
(I)	2" Meter	$	128.87	per month
(I)	3" Meter	$	241.85	per month
(I)	4" Meter	$	403.54	per month
(I)	6" Meter	$	807.75	per month
(I)	8" Meter	$	1,293.58	per month

STEP 3 RATES

RATE (Effective October 1, 2012)

CCF Metered

(I)	First	2,000	cu ft used per month	$ 5.560	per 100 cu. ft.
(I)	Next	28,000	cu ft used per month	3.720	per 100 cu. ft.
(I)	All Over	30,000	cu ft used per month	2.600	per 100 cu. ft.

Gallons Metered

(I)	First	15,000	gallons used per month	$ 7.490	per 1,000 gallons
(I)	Next	210,000	gallons used per month	5.030	per 1,000 gallons
(I)	All Over	225,000	gallons used per month	3.520	per 1,000 gallons

MINIMUM CHARGE

No bill shall be rendered for less than the following amounts according to the size of the meter installed, to wit:

	Meter Size	Minimum Charge	
(I)	5/8 " Meter	$ 22.47	per month
(I)	1" Meter	$ 41.94	per month
(I)	1 1/2" Meter	$ 83.14	per month
(I)	2" Meter	$ 132.97	per month
(I)	3" Meter	$ 249.67	per month
(I)	4" Meter	$ 416.67	per month
(I)	6" Meter	$ 834.16	per month
(I)	8" Meter	$ 1,335.85	per month

STEP 4 RATES

RATE (Effective October 1, 2013)

CCF Metered

(I)	First	2,000	cu ft used per month	$ 5.740	per 100 cu. ft.
(I)	Next	28,000	cu ft used per month	3.840	per 100 cu. ft.
(I)	All Over	30,000	cu ft used per month	2.690	per 100 cu. ft.

Gallons Metered

(I)	First	15,000	gallons used per month	$ 7.730	per 1,000 gallons
(I)	Next	210,000	gallons used per month	5.190	per 1,000 gallons
(I)	All Over	225,000	gallons used per month	3.630	per 1,000 gallons

MINIMUM CHARGE

No bill shall be rendered for less than the following amounts according to the size of the meter installed, to wit:

	Meter Size	Minimum Charge	
(I)	5/8 " Meter	$ 23.19	per month
(I)	1" Meter	$ 43.29	per month
(I)	1 1/2" Meter	$ 85.80	per month
(I)	2" Meter	$ 137.23	per month
(I)	3" Meter	$ 257.64	per month
(I)	4" Meter	$ 429.95	per month

(I)	6" Meter	$ 860.72	per month
(I)	8" Meter	$ 1,378.28	per month

(I) Indicates Increase

TEMPORARY SERVICE RATE

The minimum water charge for water for temporary uses shall be **$5.10** per cubic feet or (**$3.82** per 1,000 gallons), plus the actual cost of making service available.

DELAYED PAYMENT PENALTY

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

RECONNECTION CHARGE

When water service has been disconnected for non-payment of a bill, fraudulent use of water, or at the request of a customer with seasonal usage, water service shall not be restored until all past due water bills and penalties have been paid in full and a reconnection charge in the amount of Fifty Dollars ($50.00) has been paid.

RETURNED CHECK CHARGE

When a check has been returned unpaid by the bank for any reason, the customer will be charged a fee equal to the actual NSF incurred by the Water Board up to a maximum of twenty-five dollars ($25.00).

CUSTOMER DEPOSIT

When a new customer applies for water service, the customer must pay a deposit of $42.00, which amount will be returned to the customer after the customer pays his/her water bills on time for twelve consecutive months. In the event that the customer terminates service, or the Water Board terminates service for nonpayment, any deposit held by the Water Board shall be applied to any outstanding amount owed by the customer.

COLLECTION FEE

In the event that the Water Board employs a collection agency to collect overdue water bills, the customer shall be charged the amount billed the Water Board by the collection agency for its services.

PAYMENT COLLECTION FEE

In the event that an employee of the Water Board collects a payment for the customer at the customers' residence to avoid termination of water service, the customer shall be charged a fee of $35.00, in addition in the amount of any unpaid bill.

AFTER HOURS RECONNECTION FEE

The Water Board intends to reconnect any customer terminated for nonpayment during the next business day after full payment of outstanding water bills and reconnection charges. in the event that the customer requests reconection after the normal business hours of the Water Board, and the Water Board is able to make the connection as requested, the customer shall be charged an after hours reconnection fee of $50.00, in addition to all other reconnection charges.

METER RE-READING FEE

The customer may request that the Water Board re-read the customer's water meter if the customer does not believe the meter reading was accurately performed. The customer may request a re-read of his/her meter every twelve months at no charge to the customer. If the customer requests additional readings within any twelve (12) month period, and the reading or readings determine that the initial reading was accurate, the customer shall be charged $25.00 for each additional reading. The customer shall not be charged if the initial reading was inaccurate by more than 5%.

LEAK INSPECTION FEE

The customer may request that the Water Board inspect the customer's line for leaks, if the customer believes that he/she is entitled to a leak adjustment. The customer may request a line inspection every twelve months at no charge to the customer. If the customer requests additional line inspections within any twelve (12) month period, the customer shall be charge $25.00 for each additional inspection.

METER TEST FEE

The customer may request that the Water Board test the customer's water meter if the customer does not believe the meter is recording accurately. The customer may request a test of his/her meter every twelve months at no charge to the customer. If the customer requests additional tests within any twelve (12) month period, and the test determines that the meter was recording accurately, the customer shall be charged $25.00 for each additional test. The customer shall not be charged if the meter was inaccurate by more than 5%.

FEE FOR RE-INSTALLATION OF REMOVED METER

If a water meter is removed by the Water Board to prevent a customer from illegally obtaining water after the customer's service has been disconnected for nonpayment, the customer shall pay a meter re-installation fee of $100.00 before the meter is re-installed and water service is reinstated. This fee is in addition to any reconnection fees.

SCHEDULE NO. 2

AVAILABILITY OF SERVICE

Available for all water delivered to water utilities for resale.

STEP 1 RATES

RATE (Effective October 1, 2010)

(I)	CCF Metered	$	2.04 per 100 cubic feet
(I)	Gallons Metered	$	2.74 per 1,000 gallons

STEP 2 RATES

RATE (Effective October 1, 2011)

(I)	CCF Metered	$	2.13 per 100 cubic feet
(I)	Gallons Metered	$	2.87 per 1,000 gallons

STEP 3 RATES

RATE (Effective October 1, 2012)

(I)	CCF Metered	$	2.23 per 100 cubic feet
(I)	Gallons Metered	$	3.00 per 1,000 gallons

STEP 4 RATES

RATE (Effective October 1, 2013)

(I)	CCF Metered	$	2.33 per 100 cubic feet
(I)	Gallons Metered	$	3.13 per 1,000 gallons

DELAYED PAYMENT PENALTY

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

(I) Indicates Increase

SCHEDULE NO. 3

APPLICABILITY

Applicable in entire area serviced.

CHARGE FOR TAPPING MAINS

The person or corporation making application for a service connection shall pay in advance to the Water Board for the permit and the furnishing of labor and material for (1) the service connection and pipe copmlete from the water main to the curb line, including the curb stop and box, or valve box, and (2) the meter installation, including the meter vault.

The charges for these items shall be as follows:

Size of Tap	Total Charge
3/4"	$ 700.00
1"	$ 900.00

For sizes larger than 1 inch, the charges will be equal to the actual cost of the installation. Upon receipt of an application for a service connection of a size larger than 1 inch, the Water Board will provide an estimate of actual cost which amount must be deposited by the applicant in advance of the installation. Upon completion of the installation a final statement of the actual installation cost will be prepared and submitted for payment to the applicant. The amount of payment due will be reduced by the amount of the advance deposit. In the event of an excess in the amount deposited over the actual cost, the amount of the excess will be refunded to the applicant.

SCHEDULE NO. 4

APPLICABILITY

Applicable in entire territory serviced.

AVAILABILITY OF SERVICE

Available for private fire protection service.

RATE

Size of Service	Charge for Month
4 inch	$ 6.75
6 inch	$ 20.24
8 inch	$ 40.26

DELAYED PAYMENT PENALTY

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

SCHEDULE NO. 5

APPLICABILITY

Applicable in entire territory serviced.

AVAILABILITY OF SERVICE

Available for public fire protection.

RATE

For each public fire hydrant - $250.00 per year, to be billed in equal monthly increments.

DELAYED PAYMENT PENALTY

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

SCHEDULE NO. 6

LEAK ADJUSTMENT RATE

$0.23750 per 1,000 gallons. To be used when the bill reflects unusual consumption, which can be attributed to eligible leakage on the customer's side of the meter. This rate is to be applied to the excess consumption above the customer's historical average usage.

SCHEDULE NO. 7

APPLICABILITY

Applicable in entire area served.

AVAILABILITY OF SERVICE

Available for Sewer Utilities who have entered an Inter-Governmental Agreement for the termination of delinquent sewer customers, customers who are Clarksburg Water Board water custoemrs. The sewer utility will follow the notification guidelines for termination of service, as required by the West Virginia Public Service Commission and the inter-governmental agreement.

RATE

The sewer utility will be charged the following fee:

$20.00 for termination, and

$20.00 for reconnection following payment and/or notification from the sewer utility that an appropriate payment arrangement has been reached

SCHEDULE NO. 8

APPLICABILITY

Applicable in the entire territory served under this tariff, at the sole discretion of the Water Board, except in those service areas that do not meet the requirements set forth in Item 4 of "Availability" below.

AVAILABILITY

This tariff is available at the sole discretion of the Water Board to an existing customer that currently purchases water from the Water Board for resale and to a new applicant that produces a significant portion of the water that it provides to its customers and that:

(1) enters into a Service Agreement;

(2) during the original and any renewal terms of the Service Agreement, agrees to maintain a daily load factor satisfactory to the Water Board;

(3) has a viable competitive alternative to service from the Water Board or for the water that it produces and intends to select that alternative to the detriment of the Water Board ad its other customers;

(4) seeks service in a service area of the Water Board in which Water Board has sufficient available treatment plant, transmission and distribution capacity to (i) meet the agreed upon service under the Service Agreement and (ii) meet the Water Board's peak requirement in that area as well;

(5) agrees to take or pay for a specific level of monthly usage under this tariff as provided in the Service Agreement.

DOCUMENTATION AND SUPPORT FOR ELIGIBILITY FOR TARIFF

The Water Board will require documentation and support, to the Water Board's satisfaction, to establish eligibility for this tariff based on the existence of a competitive alternative to the Water Board's service. Such documentation and support must include, but is not limited to, an affidavit of the customer or new applicant or, if the customer or new applicant is a corporation, an affidavit of one or more of its officers, satisfactory accounting and engineering data or information from any contractor supporting the bona fide nature of the competitive alternative, or if the competitive alternative is another water supplier, evidence of the other supplier's capacity to provide water service and its commitment to provide water service at a specific contract or established tariff rate.

RATE

The rate(s) to be charged a qualifying customer or new applicant under this tariff will be as set forth in the Service Agreement, provided, however, that such rate(s): (1) shall not exceed the Maximum Rate of the Water Board's then current Sale for Resale ("SRF") tariff as amended from time to time by the Water Board; (2) shall not be less than the Minimum Rate; and (3) shall be subject to an Escalation Clause, as hereafter defined.

Maximum Rate: The Maximum Rate shall be the charges specified in the Water Board's SRF Rate Schedule.

Minimum Rate: The Minimum Rate shall be sufficient to recover: (1) the Production Cost of Water as defined herein: (2) the fixed costs (depreciation and pre-tax return), associated with all new facilities added to serve the customer; and (3) some portion of the fixed costs of the Water Board's other facilities. For purposes of this rider, the Production Cost of Water shall be the variable cost of the Water Board incurs to produce additional treated water, which consists of expenses for electric power, chemicals, waste disposal and purchased water.

Escalation Clause: The rate set forth in the Service Agreement shall be subject to an Escalation Clause, during the original and any renewal terms of the Service Agreement, based upon charges in published price indices as measured every two years under the Service Agreement as reflected in the published Consumer Price Index as set forth in the publication Value Line.

FILING OF THE SERVICE AGREEMENT

The Service Agreement entered into between the Water Board and a qualifying existing customer or new applicant under this tariff shall be filed with the Commission puruant within fifteen (15) days of its execution and shall become effective forty-five days thereafter if no order of the Commission is entered disapproving said Agreement. If the Commission alters or amends the Service Agreement, the Water Board and the existing customer or new applicant shall not be required to perform thereunder unless the Water Board and the existing customer or new applicant each significantly agree to the altered or amended version of the Service Agreement.

SECTION 2. The customer rates and charges herein established and fixed as Step 1 shall be effective as to all bills rendered on and after October 1, 2010, or as soon thereafter as legally permissible. The customer rates and charges herein established and fixed as Step 2 shall be effective as to all bills rendered on and after October 1, 2011, or as soon thereafter as legally permissible. The customer rates and charges herein established and fixed as Step 3 shall be effective as to all bills rendered on and after October 1, 2012, or as soon thereafter as legally permissible. The customer rates and charges herein established and fixed as Step 4 shall be effective as to all bills rendered on and after October 1, 2013, or as soon thereafter as legally permissible. The rates and charges of the Clarksburg Water Board not addressed in this ordinance shall remain in full force and effect and be unaffected by the passage of the ordinance.

SECTION 3. All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this ordinance are, to the extent of such conflict, hereby repealed.

SECTION 4. The General Manager of the Clarksburg Water Board is hereby authorized and directed to have prepared and filed with the Public Service Commission of West Virginia, new tariffs or tariff sheets reflecting the tariff provision charges as herein ordained and to perform all other acts required by the statutes and laws of this State and valid applicable rules and regulations promulgated by the Public Service Commission of West Virginia, to fully effectuate the provisions of this ordinance.

SECTION 5. The General Manager is hereby authorized and directed to publish, and post as required by law, a notice of the proposed adoption of this ordinance as a Class II-O legal advertisement in compliance with the applicable requirements in a newspaper of general circulation in Harrison County, West Virginia, with such notice stating the subject matter and title of the ordinance, the date, time and place of the board meeting which will consider the adoption of the ordinance, and such other information as may be required by law, and that any person interested may appear before the board on such date, at which time and place all parties and interests may be heard with respect to the adoption of this ordinance, and said notice shall be on file in the Office of the City Clerk, shall be posted at the Harrison County Courthouse, and at the Water Board's office building for review by interested persons during the regular office hours of such offices, and with such other information as the General Manager may determine to be necessary.

This Ordinance will be effective upon second reading and adoption.

A public hearing regarding the rate increase provided by this Ordinance will be held on July 27, 2010, beginning at 2:30 p.m., in the Board Room of the Clarksburg Water Board, Clarksburg, West Virginia.

This Ordinance was introduced and read for the first time at a meeting of the Water Board held on July 13, 2010, and will be read a second time at a meeting of the Water Board held on July 27, 2010.

Passed on reading July 13, 2010

Public hearing held on July 13, 2010

Second and final reading July 27, 2010

Chairman

General Manager

10:38 AM AUG 11 2010 PSC EXEC SEC DIV

LAW OFFICES
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August 11, 2010

Sandra Squire
Executive Secretary
Public Service Commission of WV
201 Brooks Street
P.O. Box 812
Charleston, WV 25323

ORDW Clarksburg 10A

Re: *Clarksburg Water Board Ordinance*

Dear Ms. Squire:

Enclosed is the Affidavit of Publication for the pre-passage notice for the Clarksburg Water Board rate ordinance, indicating that that notice was published twice.

I have also enclosed a copy of the post-notice publication, which was published on July 30, 2010 and August 6, 2010. The Clarksburg Water Board has not yet received the Affidavit of Publication from the newspaper. As soon as it does, I will file it with the Commission.

Very truly yours,

Mark E. Kauffelt

MEK/mmw
Enclosures
xc: Clarksburg Water Board

10:38 AM AUG 11 2010 PSC EXEC SEC DIV

PUBLISHER'S CERTIFICATE

I, Sara V. Shingleton, Classified Manager of THE EXPONENT TELEGRAM, a newspaper of general circulation published in the City of Clarksburg, County and state aforesaid, do hereby certify that the annexed:

NOTICE OF PUBLIC HEARING

was published in THE EXPONENT-TELEGRAM 2 time(s) commencing on
the 15th day of July 2010 and ending on
the 22nd day of July 2010 at the request of
CLARKSBURG WATER BOARD.
Given under my hand this 22nd day of July 2010

The publisher's fee for said publication is: $1521.98
for 6,690 words at $0.225 per word.

Sara V Shingletz
Classified Manager of The Exponent-Telegram

SEAL

Subscribed to and sworn to before me this 22nd day of July 2010.

Shelley F. Riffle
Notary Public in and for Harrison County, WV

My commission expires on:
The 21 day of July 20 19

OFFICIAL SEAL
NOTARY PUBLIC
State of West Virginia
SHELLEY F. RIFFLE
Clarksburg Publishing Co.
PO Box 2000, 324 Hewes Ave.
Clarksburg, WV 26302-2000
My Commission Expires July 21, 2019

10:41 AM AUG 11 2010 PSC EXEC SEC DIV

ORDINANCE OF THE CLARKSBURG WATER BOARD
NOTICE OF PUBLIC HEARING

On July 13, 2010, the Board of the Clarksburg Water Board passed, on first reading, the following ordinance, and increasing the customer rates and charges of the Clarksburg Water Board in four steps, the first increase effective on October 1, 2010, and subsequent increases becoming effective October 1, 2011, October 1, 2012, and October 1, 2013. A public hearing regarding the ordinance will be held on July 27, 2010, beginning at 2:30 p.m. in the Board Room of the Clarksburg Water Board, 1001 South Chestnut Street, Clarksburg, West Virginia. Any interested person may appear on such date and time and be heard with respect to the adoption of the ordinance. Copies of the proposed ordinance will be available for public inspection at the City Clerk's Office, City Hall, Clarksburg, West Virginia, during its regular business hours (8:00 a.m. to 4:00 p.m.) and the offices of the Clarksburg Water Board during its regular business hours (8:00 a.m. to 4:00 p.m.) A second reading and final vote on the ordinance will occur at the meeting of the Board of the Clarksburg Water Board held on July 27, 2010, at the Board Room of the Clarksburg Water Board immediately following the public hearing:

AN ORDINANCE OF THE CLARKSBURG WATER BOARD ESTABLISHING AND FIXING RATES AND CHARGES FOR WATER SERVICE FOR CUSTOMERS OF THE WATER SYSTEM OF THE CLARKSBURG WATER BOARD, HARRISON COUNTY, WEST VIRGINIA.

WHEREAS, The Clarksburg Water Board deems the present customer rates and charges for the furnishing of water service throughout the entire territory served by the Clarksburg Water Board to be inadequate to provide sufficient revenue to the Clarksburg Water Board to maintain and operate the water system and to reasonable cover the cost of providing certain customer services; and

WHEREAS, The Clarksburg Water Board deems that an increase in rates and charges is necessary to provide sufficient revenues to the Clarksburg Water Board to maintain and operate the water system and to reasonably cover the cost of providing certain customer services; and

WHEREAS, the Clarksburg Water Board deems that the increase in rates and charges should be implemented in four steps, to reduce the impact on its residential, commercial and resale customers.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Board of the Clarksburg Water Board, Clarksburg, West Virginia are the following customer rates and charges:

SECTION 1.

RULES AND REGULATIONS

Rules and Regulations for the Government of Water Utilities, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.

SCHEDULE NO. 1

APPLICABILITY
Applicable to entire territory serviced

AVAILABILITY OF SERVICE
Available for general domestic, commercial and industrial and public authorities.

STEP 1 RATES

RATE (Effective October 1, 2010)

	CCF Metered		
(I)	First	2,000 cu ft used per month	$5.170 per 100 cu. ft.
(I)	Next	28,000 cu ft used per month	3.460 per 100 cu. ft.
(I)	All Over	30,000 cu ft used per month	2.420 per 100 cu. ft.
	Gallons Metered		
(I)	First	15,000 gallons used per month	$6.960 per 1,000 gallons
(I)	Next	210,000 gallons used per month	4.670 per 1,000 gallons
(I)	All Over	225,000 gallons used per month	3.270 per 1,000 gallons

MINIMUM CHARGE
No bill shall be rendered for less than the following amounts according to the size of the meter installed, to wit:

	Meter Size	Minimum Charge
(I)	5/8 " Meter	$20.88 per month
(I)	1" Meter	$38.98 per month
(I)	1 1/2" Meter	$77.26 per month
(I)	2" Meter	$123.55 per month
(I)	3" Meter	$231.89 per month
(I)	4" Meter	$386.94 per month
(I)	6" Meter	$774.55 per month
(I)	8" Meter	$1,240.43 per month

STEP 2 RATES

RATE (Effective October 1, 2011)

	CCF Metered		
(I)	First	2,000 cu ft used per month	$5.390 per 100 cu. ft.
(I)	Next	28,000 cu ft used per month	3.600 per 100 cu. ft.
(I)	All Over	30,000 cu ft used per month	2.520 per 100 cu. ft.
	Gallons Metered		
(I)	First	15,000 gallons used per month	$7.260 per 1,000 gallons
(I)	Next	210,000 gallons used per month	4.870 per 1,000 gallons
(I)	All Over	225,000 gallons used per month	3.410 per 1,000 gallons

MINIMUM CHARGE
No bill shall be rendered for less than the following amounts according to the size of the meter installed, to wit:

	Meter Size	Minimum Charge
(I)	5/8 " Meter	$21.78 per month
(I)	1" Meter	$40.66 per month
(I)	1 1/2" Meter	$80.59 per month
(I)	2" Meter	$128.87 per month
(I)	3" Meter	$241.85 per month
(I)	4" Meter	$403.54 per month
(I)	6" Meter	$807.75 per month
(I)	8" Meter	$1,293.58 per month

If a water meter is removed by the Water Board to prevent a customer from illegally obtaining water after the customer's service has been disconnected for nonpayment, the customer shall pay a meter re-installation fee of $100.00 before the meter is re-installed and water service is reinstated. This fee is in addition to any reconnection fees.

SCHEDULE NO. 2

AVAILABILITY OF SERVICE
Available for all water delivered to water utilities for resale.

STEP 1 RATES

RATE (Effective October 1, 2010)

(I)	CCF Metered	$2.04 per 100 cubic feet
(I)	Gallons Metered	$2.74 per 1,000 gallons

STEP 2 RATES

RATE (Effective October 1, 2011)

(I)	CCF Metered	$2.13 per 100 cubic feet
(I)	Gallons Metered	$2.87 per 1,000 gallons

STEP 3 RATES

RATE (Effective October 1, 2012)

(I)	CCF Metered	$2.23 per 100 cubic feet
(I)	Gallons Metered	$3.00 per 1,000 gallons

STEP 4 RATES

RATE (Effective October 1, 2013)

(I)	CCF Metered	$2.33 per 100 cubic feet
(I)	Gallons Metered	$3.13 per 1,000 gallons

DELAYED PAYMENT PENALTY
The above tariff is net. On all current usage billings not paid within twenty (20) days, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.
(I) Indicates Increase

SCHEDULE NO. 3

APPLICABILITY
Applicable in entire area serviced.

CHARGE FOR TAPPING MAINS
The person or corporation making application for a service connection shall pay in advance to the Water Board for the permit and the furnishing of labor and material for (1) the service connection and pipe complete from the water main to the curb line, including the curb stop and box, or valve box, and (2) the meter installation, including the meter vault.
The charges for these items shall be as follows:

Size of Tap	Total Charge
3/4"	$700.00
1"	$900.00

For sizes larger than 1 inch, the charges will be equal to the actual cost of the installation. Upon receipt of an application for a service connection of a size larger than 1 inch, the Water Board will provide an estimate of actual cost which amount must be deposited by the applicant in advance of the installation. Upon completion of the installation a final statement of the actual installation cost will be prepared and submitted for payment to the applicant. The amount of payment due will be reduced by the amount of the advance deposit. In the event of an excess in the amount deposited over the actual cost, the amount of the excess will be refunded to the applicant.

SCHEDULE NO. 4

APPLICABILITY
Applicable in entire territory serviced.

AVAILABILITY OF SERVICE
Available for private fire protection service.

RATE

Size of Service	Charge for Month
4 inch	$6.75
6 inch	$20.24
8 inch	$40.26

DELAYED PAYMENT PENALTY
The above tariff is net. On all current usage billings not paid within twenty (20) days, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

SCHEDULE NO. 5

APPLICABILITY
Applicable in entire territory serviced.

AVAILABILITY OF SERVICE
Available for public fire protection.

RATE
For each public fire hydrant - $250.00 per year, to be billed in equal monthly increments.

DELAYED PAYMENT PENALTY
The above tariff is net. On all current usage billings not paid within twenty (20) days, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

SCHEDULE NO. 6

LEAK ADJUSTMENT RATE
$0.23750 per 1,000 gallons. To be used when the bill reflects unusual consumption, which can be attributed to eligible leakage on the customer's side of the meter. This rate is to be applied to the excess consumption above the customer's historical average usage.

SCHEDULE NO. 7

APPLICABILITY
Applicable in entire area served.

AVAILABILITY OF SERVICE
Available for Sewer Utilities who have entered an Inter-Governmental Agreement for the termination of delinquent sewer customers. customers who are Clarksburg Water Board water customers. The sewer utility will follow the notification guidelines for termination of service, as required by the West Virginia Public Service Commission and the inter-governmental agreement.

10:41 AM AUG 11 2010 PSC EXEC

STEP 3 RATES

RATE (Effective October 1, 2012)

CCF Metered

First	2,000 cu ft used per month	$5.560 per 100 cu. ft.
Next	28,000 cu ft used per month	3.720 per 100 cu. ft.
All Over	30,000 cu ft used per month	2.600 per 100 cu. ft.

Gallons Metered

First	15,000 gallons used per month	$7.490 per 1,000 gallons
Next	210,000 gallons used per month	5.030 per 1,000 gallons
All Over	225,000 gallons used per month	3.520 per 1,000 gallons

MINIMUM CHARGE

No bill shall be rendered for less than the following amounts according to the size of the meter installed, to wit:

Meter Size	Minimum Charge
5/8 " Meter	$22.47 per month
1" Meter	$41.94 per month
1 1/2" Meter	$83.14 per month
2" Meter	$132.97 per month
3" Meter	$249.67 per month
4" Meter	$416.67 per month
6" Meter	$834.16 per month.
8" Meter	$1,335.85 per month

STEP 4 RATES

RATE (Effective October 1, 2013)

CCF Metered

First	2,000 cu ft used per month	$5.740 per 100 cu. ft.
Next	28,000 cu ft used per month	3.840 per 100 cu. ft.
All Over	30,000 cu ft used per month	2.690 per 100 cu. ft.

Gallons Metered

First	15,000 gallons used per month	$7.730 per 1,000 gallons
Next	210,000 gallons used per month	5.190 per 1,000 gallons
All Over	225,000 gallons used per month	3.630 per 1,000 gallons

MINIMUM CHARGE

No bill shall be rendered for less than the following amounts according to the size of the meter installed, to wit:

Meter Size	Minimum Charge
5/8 " Meter	$23.19 per month
1" Meter	$43.29 per month
1 1/2" Meter	$85.80 per month
2" Meter	$137.23 per month
3" Meter	$257.64 per month
4" Meter	$429.95 per month
6" Meter	$860.72 per month
8" Meter	$1,378.28 per month

(I) Indicates Increase

TEMPORARY SERVICE RATE

The minimum water charge for water for temporary uses shall be **$5.10** per cubic feet or (**$3.82** per 1,000 gallons), plus the actual cost of making service available.

DELAYED PAYMENT PENALTY

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

RECONNECTION CHARGE

When water service has been disconnected for non-payment of a bill, fraudulent use of water, or at the request of a customer with seasonal usage, water service shall not be restored until all past due water bills and penalties have been paid in full and a reconnection charge in the amount of Fifty Dollars ($50.00) has been paid.

RETURNED CHECK CHARGE

When a check has been returned unpaid by the bank for any reason, the customer will be charged a fee equal to the actual NSF incurred by the Water Board up to a maximum of twenty-five dollars ($25.00).

CUSTOMER DEPOSIT

When a new customer applies for water service, the customer must pay a deposit of $42.00, which amount will be returned to the customer after the customer pays his/her water bills on time for twelve consecutive months. In the event that the customer terminates service, or the Water Board terminates service for nonpayment, any deposit held by the Water Board shall be applied to any outstanding amount owed by the customer.

COLLECTION FEE

In the event that the Water Board employs a collection agency to collect overdue water bills, the customer shall be charged the amount billed the Water Board by the collection agency for its services.

PAYMENT COLLECTION FEE

In the event that an employee of the Water Board collects a payment for the customer at the customers' residence to avoid termination of water service, the customer shall be charged a fee of $35.00, in addition in the amount of any unpaid bill.

AFTER HOURS RECONNECTION FEE

The Water Board intends to reconnect any customer terminated for nonpayment during the next business day after full payment of outstanding water bills and reconnection charges. In the event that the customer requests reconnection after the normal business hours of the Water Board, and the Water Board is able to make the connection as requested, the customer shall be charged an after hours reconnection fee of $50.00, in addition to all other reconnection charges.

METER RE-READING FEE

The customer may request that the Water Board re-read the customer's water meter if the customer does not believe the meter reading was accurately performed. The customer may request a re-read of his/her meter every twelve months at no charge to the customer. If the customer requests additional readings within any twelve (12) month period, and the reading or readings determine that the initial reading was accurate, the customer shall be charged $25.00 for each additional reading. The customer shall not be charged if the initial reading was inaccurate by more than 5%.

LEAK INSPECTION FEE

The customer may request that the Water Board inspect the customer's line for leaks, if the customer believes that he/she is entitled to a leak adjustment. The customer may request a line inspection every twelve months at no charge to the customer. If the customer requests additional line inspections within any twelve (12) month period, the customer shall be charge $25.00 for each additional inspection.

METER TEST FEE

The customer may request that the Water Board test the customer's water meter if the customer does not believe the meter is recording accurately. The customer may request a test of his/her meter every twelve months at no charge to the customer. If the customer requests additional tests within any twelve (12) month period, and the test determines that the meter was recording accurately, the customer shall be charged $25.00 for each additional test. The customer shall not be charged if the meter was inaccurate by more than 5%.

FEE FOR RE-INSTALLATION OF REMOVED METER

RATE

The sewer utility will be charged the following fee:

$20.00 for termination, and

$20.00 for reconnection following payment and/or notification from the sewer utility that an appropriate payment arrangement has been reached

SCHEDULE NO. 8

APPLICABILITY

Applicable in the entire territory served under this tariff, at the sole discretion of the Water Board, except in those service areas that do not meet the requirements set forth in Item 4 of "Availability" below.

AVAILABILITY

This tariff is available at the sole discretion of the Water Board to an existing customer that currently purchases water from the Water Board for resale and to a new applicant that produces a significant portion of the water that it provides to its customers and that:

(1) enters into a Service Agreement;

(2) during the original and any renewal terms of the Service Agreement, agrees to maintain a daily load factor satisfactory to the Water Board;

(3) has a viable competitive alternative to service from the Water Board or for the water that it produces and intends to select that alternative to the detriment of the Water Board ad its other customers;

(4) seeks service in a service area of the Water Board in which Water Board has sufficient available treatment plant, transmission and distribution capacity to (i) meet the agreed upon service under the Service Agreement and (ii) meet the Water Board's peak requirement in that area as well;

(5) agrees to take or pay for a specific level of monthly usage under this tariff as provided in the Service Agreement.

DOCUMENTATION AND SUPPORT FOR ELIGIBILITY FOR TARIFF

The Water Board will require documentation and support, to the Water Board's satisfaction, to establish eligibility for this tariff based on the existence of a competitive alternative to the Water Board's service. Such documentation and support must include, but is not limited to, an affidavit of the customer or new applicant or, if the customer or new applicant is a corporation, an affidavit of one or more of its officers, satisfactory accounting and engineering data or information from any contractor supporting the bona fide nature of the competitive alternative, or if the competitive alternative is another water supplier, evidence of the other supplier's capacity to provide water service and its commitment to provide water service at a specific contract or established tariff rate.

RATE

The rate(s) to be charged a qualifying customer or new applicant under this tariff will be as set forth in the Service Agreement, provided, however, that such rate(s): (1) shall not exceed the Maximum Rate of the Water Board's then current Sale for Resale ("SRF") tariff as amended from time to time by the Water Board; (2) shall not be less than the Minimum Rate; and (3) shall be subject to an Escalation Clause, as hereafter defined.

Maximum Rate: The Maximum Rate shall be the charges specified in the Water Board's SRF Rate Schedule.

Minimum Rate: The Minimum Rate shall be sufficient to recover: (1) the Production Cost of Water as defined herein: (2) the fixed costs (depreciation and pre-tax return), associated with all new facilities added to serve the customer; and (3) some portion of the fixed costs of the Water Board's other facilities. For purposes of this rider, the Production Cost of Water shall be the variable cost of the Water Board incurs to produce additional treated water, which consists of expenses for electric power, chemicals, waste disposal and purchased water.

Escalation Clause: The rate set forth in the Service Agreement shall be subject to an Escalation Clause, during the original and any renewal terms of the Service Agreement, based upon charges in published price indices as measured every two years under the Service Agreement as reflected in the published Consumer Price Index as set forth in the publication Value Line.

FILING OF THE SERVICE AGREEMENT

The Service Agreement entered into between the Water Board and a qualifying existing customer or new applicant under this tariff shall be filed with the Commission pursuant within fifteen (15) days of its execution and shall become effective forty-five days thereafter if no order of the Commission is entered disapproving said Agreement. If the Commission alters or amends the Service Agreement, the Water Board and the existing customer or new applicant shall not be required to perform thereunder unless the Water Board and the existing customer or new applicant each significantly agree to the altered or amended version of the Service Agreement.

SECTION 2. The customer rates and charges herein established and fixed as Step 1 shall be effective as to all bills rendered on and after October 1, 2010, or as soon thereafter as legally permissible. The customer rates and charges herein established and fixed as Step 2 shall be effective as to all bills rendered on and after October 1, 2011, or as soon thereafter as legally permissible. The customer rates and charges herein established and fixed as Step 3 shall be effective as to all bills rendered on and after October 1, 2012, or as soon thereafter as legally permissible. The customer rates and charges herein established and fixed as Step 4 shall be effective as to all bills rendered on and after October 1, 2013, or as soon thereafter as legally permissible. The rates and charges of the Clarksburg Water Board not addressed in this ordinance shall remain in full force and effect and be unaffected by the passage of the ordinance.

SECTION 3. All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this ordinance are, to the extent of such conflict, hereby repealed.

SECTION 4. The General Manager of the Clarksburg Water Board is hereby authorized and directed to have prepared and filed with the Public Service Commission of West Virginia, new tariffs or tariff sheets reflecting the tariff provision charges as herein ordained and to perform all other acts required by the statutes and laws of this State and valid applicable rules and regulations promulgated by the Public Service Commission of West Virginia, to fully effectuate the provisions of this ordinance.

SECTION 5. The General Manager is hereby authorized and directed to publish, and post as required by law, a notice of the proposed adoption of this ordinance as a Class II-0 legal advertisement in compliance with the applicable requirements in a newspaper of general circulation in Harrison County, West Virginia, with such notice stating the subject matter and title of the ordinance, the date, time and place of the board meeting which will consider the adoption of the ordinance, and such other information as may be required by law, and that any person interested may appear before the board on such date, at which time and place all parties and interests may be heard with respect to the adoption of this ordinance, and said notice shall be on file in the Office of the City Clerk, shall be posted at the Harrison County Courthouse, and at the Water Board's office building for review by interested persons during the regular office hours of such offices, and with such other information as the General Manager may determine to be necessary.

This Ordinance will be effective upon second reading and adoption.

A public hearing regarding the rate increase provided by this Ordinance will be held on July 27, 2010, beginning at 2:30 p.m., in the Board Room of the Clarksburg Water Board, Clarksburg, West Virginia.

This Ordinance was introduced and read for the first time at a meeting of the Water Board held on July 13, 2010, and will be read a second time at a meeting of the Water Board held on July 27, 2010.

10:41 AM AUG 11 2010 PSC EXEC SEC

Tariff Form No. 12
(Tariff Rule 44)
PUBLIC NOTICE OF CHANGE IN RATES
BY MUNICIPALITIES

NOTICE is hereby given that The Clarksburg Water Board has adopted by ordinance on July 27, 2010, a tariff containing increased rates, tolls and charges for furnishing water service to 8,223 customers in the City of Clarksburg and vicinity in the County of Harrison.

The proposed increased rates and charges will become effective in four annual steps. The proposed increased rates and charges to become effective October 1, 2010, unless otherwise ordered by the Public Service Commission will produce approximately $935,715 annually in additional revenue, an increase of 15.2%. The average monthly bill for the various classes of customers will be changed as follows:

	($) INCREASE	INCREASE (%)
Residential	$6.13	27.9%
Commercial	$16.07	21.3%
Industrial	$456.38	17.2%
Resale	$482.86	5.0%
Other	$76.67	18.1%

The proposed increased rates and charges to become effective on October 1, 2011, unless otherwise ordered by the Public Service Commission will produce approximately $317,543 annually in additional revenue, an increase of 4.5%. The average monthly bill for the various classes of customers will be changed as follows:

	($) INCREASE	INCREASE (%)
Residential	$1.21	4.3%
Commercial	$3.93	4.3%
Industrial	$133.21	4.3%
Resale	$482.52	4.7%
Other	$21.36	4.3%

The proposed increased rates and charges to become effective on October 1, 2012, unless otherwise ordered by the Public Service Commission will produce approximately $278,721 in additional revenue, an increase of 3.8%. The average monthly bill for the various classes of customers will be changed as follows:

	($) INCREASE	INCREASE (%)
Residential	$0.93	3.2%
Commercial	$3.08	3.2%
Industrial	$105.12	3.2%
Resale	$482.87	4.5%
Other	$16.88	3.2%

The proposed increased rates and charges to become effective on October 1, 2013, unless otherwise ordered by the Public Service Commission will produce approximately $283,007 annually in additional revenue, an increase of 3.7%. The average monthly bill for the various classes of customers will be changed as follows:

	($) INCREASE	INCREASE (%)
Residential	$0.97	3.2%
Commercial	$3.14	3.2%
Industrial	$105.30	3.1%
Resale	$482.87	4.3%
Other	$17.02	3.2%

Resale customers of the Clarksburg Water Board include Sun Valley P.S.D., Valley of Good Hope P.S.D., Lost Creek-Mount Clare P.S.D., Enlarged Hepzibah P.S.D., Short Line P.S.D., Town of Nutter Fort, City of Bridgeport, Summit Park P.S.D., East View P.S.D., Tri-County Water Association, Town of Anmoore, and City of Stonewood.

The increases shown are based on averages of all customers in the indicated class. Individual customers may receive increases that are greater or less than average. Furthermore, the requested rates and charges are only a proposal and are subject to change (increases or decreases) by the Public Service Commission in its review of this filing. The Commission shall review and approve or modify the increased rates only upon the filing of a petition within thirty (30) days of the adoption of the ordinance changing said rates or charges, by:

(1) Any customer aggrieved by the changed rates or charges, who presents to the Commission a petition signed by not less than twenty-five percent of the customers served by such municipally operated public utility; or

(2) Any customer who is served by a municipally operated public utility and who resides outside the corporate limits and who is affected by the change in said rates or charges and who presents to the Commission a petition alleging discrimination between customers within and without the municipal boundaries. Said petition shall be accompanied by evidence of discrimination; or

(3) Any customer or group of customers who are affected by said change in rates who reside within the municipal boundaries and who present a petition to the Commission alleging discrimination between said customer or group of customers and other customers of the municipal utility. Said petition shall be accompanied by evidence of discrimination.

All petitions should be addressed to the Executive Secretary, Public Service Commission of West Virginia, 201 Brooks Street, P. O. Box 812, Charleston, West Virginia 25323.

A complete copy of the proposed rates, as well as a representative of the utility to provide any information requested concerning it, is available to all customers, prospective customers, or their agents at any of the following offices of the utility.

Clarksburg Water Board
1001 South Chestnut Street
Clarksburg, WV 26301

A copy of the proposed rates is available for public inspection at the office of the Executive Secretary of the Public Service Commission at 201 Brooks Street, P. O. Box 812, Charleston, West Virginia 25323.

July 13, 2010

The special meeting of the Clarksburg Water Board was held on Tuesday, July 13, 2010 at 3:00 p.m., at the offices of the Board, 1001 South Chestnut Street, Clarksburg, West Virginia 26301.

Board Members	Gary Hamrick	Board President
	John (Jack) Keeley	Board Member
	Albert N. Cox, II	Board Member
Others Present:	Richard D. Welch	General Manager
	John Lee DePolo	General Counsel
	Kathy Fazzini	Executive Secretary
	Media	

1. Call to Order and Roll Call:

Mr. Hamrick, Board President called the meeting to order and proceeded with the roll call.

2. Prayer and Pledge of Allegiance:

Mr. Welch led the Pledge of Allegiance.

3. Proclamations:

4. Petitions, Communications and Public Hearing:

Mr. Welch," Under Communications the Harrison County Landmark Commission requested a monetary donation of $1,000 to help promote historic economic development in Harrison County."

Mr. Hamrick, Board President stated that the Board asked for an opinion on monetary contributions.

Mr. DePolo, General Counsel said," I spoke to Mark Kauffelt, attorney and researched the statutes on the monetary contributions and generally money collected by the Clarksburg Water Board is public funds is to be used solely to run the Clarksburg Water Board so contributions or charitable purposes are not a permissible expenditure."

The Board directed Richard D. Welch, General Manager to contact the Harrison County Landmark Commission an apprise them of John DePolo, General Counsel's findings in regard to Clarksburg Water Board's monetary contributions.

5. Approval of Minutes:

There being no corrections, additions or deletions to the minutes of the special meeting of Tuesday, July 13, 2010, **A MOTION** was made by Mr. Keeley, seconded by Mr. Cox and unanimously carried, approving the minutes as presented.

6. FIRST READING OF AN ORDINANCE OF THE CLARKSBURG WATER BOARD INCREASING RATES AND CHARGES FOR WATER SERVICE FOR CUSTOMERS OF THE WATER SYSTEM OF THE CLARKSBURG WATER BOARD, HARRISON COUNTY, WEST VIRGINIA.

Mr. Welch," The Ordinance has been prepared by our Special Attorney, Mark Kauffelt and reviewed by J.R. Sabatelli, CPA, Tetrick & Bartlett. It will be published in the Clarksburg Exponent – Telegram newspaper once this week and once next week prior to the public hearing which will be held at our meeting on July 27, 2010 at 2:30 p.m. if the increase isn't protested within 30 days after the public hearing with a signed petition by no less than 25% of our customers in Clarksburg the first step increase will be effective October 1, 2010 with subsequent increases become effective October 1, 2011, October 1, 2012 and October, 2013."

A MOTION was made by Mr. Cox, seconded by Mr. Keeley and unanimously carried, to adopt the first reading of the Clarksburg Water Board increasing rates and charges for water service for customers of the water of the Clarksburg Water Board, Harrison County, West Virginia.

Mr. DePolo stated that as well as the ad being placed in the Exponent – Telegram the ordinance should be posted at the Clarksburg Water Board, the Harrison County Court House and the Clarksburg City Hall for public viewing, and certified mailed copies of the ordinance be sent to all resale customers.

7. General Manager's Report / Update:

1. Consideration of Payment Application from Michel, Inc. for completion of the Fluoride Tank Replacement Project in the amount of $103,400.71.

Mr. Welch," The 4 items on the punch list that were discussed at our last meeting has been corrected by the contractor. The project has been successfully completed and payment of $103,400.71 per bid is due.

Following some discussion, **A MOTION** was made by Mr. Cox, seconded by Mr. Keeley and unanimously carried, approving payment to Michel, Inc. for completion of the Fluoride Tank Replacement project in the amount of $103,400.71."

2. Consideration of request to refinance bonds taking advantage of low interest rates.

Mr. Welch," On July 1, 2010 I met with Chuck Steel, Managing Director and Robert Steptoe III, Associate with Crews & Associates to discuss refinancing our bonds. In 2002 we issued tax-exempt refunding bonds which Crews & Associates handled for us. With interest rates now at historically low levels, they feel there is another opportunity for the Board to reduce its interest costs once more if the Series 2002 Bonds were to be refinanced in what is known as "forward refunding". There are several benefits to this including a $ 435,000 savings which could be used to offset the expense of an Automated Meter Reading system to eliminate the need for or reduce the proposed customer surcharge. If the Board is interested, I would like to have Chuck Steel and Robert Steptoe III at our next meeting to discuss the details. I asked them to provide a brief summary which is provided to you under EXHIBIT 3 in your board packet."

Following some discussion, the **Board's decision** to have Crews and Associates representatives come to the next regular board meeting to discuss the refinancing of the Clarksburg Water Board bonds.

3. Consideration of request to advertise for Proposals for Engineering Services:

Mr. Welch," The last time we advertised for engineering services was in August 2006. With the permission of the Board I would like to advertise again this year using the same notice provided to you under EXHIBIT 4 in your board packet."

Following some discussion, the **Board directed,** Mr. Welch, General Manager to submit the advertisement for Proposals for Engineering Services as presented under exhibit 4 in the Board packet.

Mr. Keeley recused himself due to his affiliation with Thrasher Engineering.

4. Progress Report:

1) Annual Hydrant Flushing Program:

Mr. Welch," We should be completed by the end of this week with the exception of the downtown area which we will do in the evening hours next week. This year we removed and totally rebuilt 42 hydrants in our shop and installed 16 new hydrants in addition to replacing miscellaneous parts on site as needed. We have near 900 hydrants in our system to maintain."

8. Adjournment:

There being no more business to come before the Board, **A MOTION** was made by Mr. Cox, seconded by Mr. Keeley, and unanimously carried, adjourning the meeting of Tuesday, July 13, 2010.

Secretary

President

July 27, 2010

The regular meeting of the Clarksburg Water Board was held on Tuesday, July 27, 2010 at 2:30 p.m., at the offices of the Board, 1001 South Chestnut Street, Clarksburg, West Virginia 26301.

Board Members Present:	Gary Hamrick	Board President
	Albert N. Cox II	Board Member
	John (Jack) Keeley	Board Member
Others Present:	Richard D. Welch	General Manager
	John Lee DePolo	General Counsel
	Kathy Fazzini	Executive Secretary
	Robert Steptoe, III	Bond Council / Steptoe & Johnson Law Office
	citizen	
	Media	

1. **Call to Order and Roll Call:**

   Mr. Hamrick, Board President called the meeting to order and proceeded with the roll call.

2. **Pledge of Allegiance:**

   Mr. Hamrick led the pledge of allegiance.

3. **Proclamations:**

4. **Approval of Minutes:**

   A correction was made to the minutes of Tuesday, July 13, 2010, page 3/ minute pg. 8193 the last sentence should read," Mr. Keeley recused himself due to his affiliation with Woody Thrasher of Thrasher Engineering, Inc., **A MOTION** was made by Mr. Cox, seconded by Mr. Keeley and unanimously carried, approving the minutes as corrected.

5. **Special Presentation to the Clarksburg Water Board:**

   The Clarksburg Water Board is a recipient of the ***2009 Environmental Protection Agency – Area Wide Optimization Program (AWOP) Award*** to be presented by Craig R. Cobb, Supervising District Engineer, West Virginia Department of Health and Human Services, and Bureau for Public Health.

Description: AWOP is an effort by the U.S. Environmental Protection Agency (EPA) and participating States to optimize the performance of existing surface water treatment facilities. The goal of the program is to optimize particle removal and disinfection at water treatment plants to maximize public health protection. Optimization reduces the risk of waterborne disease outbreaks. In addition, optimization emphasizes improving the operation of existing facilities rather than building new facilities. The Clarksburg Water Board exceeded the AWOP goals for 2009. in addition there were no significant deficiencies listed in the most recent sanitary survey performed by the WV Bureau of Public Health for the Clarksburg Water Board, and there were no monitoring or reporting violations issued against the Clarksburg Water Board for the past two years."

Mr. Welch," As a regional provider of potable water, the Clarksburg Water Board is responsible for protecting the health of our customers. Participating in and receiving recognition for meeting all the criteria of the AWOP ensures that this is being done. I am extremely proud of my entire staff and commend them on their continued dedication to improving water quality beyond the current regulatory requirements."

Mr. Cobb," On behalf of the Bureau for Public Health I am honored and, privileged to formally present this award to the Clarksburg Water Board today. During 2009 the Clarksburg Water Board met the Environmental Protection Agencies "Area Wide Optimization Program, short is, (AWOP). The AWOP optimization goal is to producing a sedimentation basin low on turbidity of less then or equal to 2 micrometric turbidity units it means 95% of the time. The Clarksburg Water Board also met the filtered water turbidity goal of less then or equal to 0.1 that is $1/10^{th}$ of a micrometric turbidity unit at least 95% of the time. The Clarksburg Water Board actually meets both of those goals a 100% of the time so the Board exceeded the AWOP goals for both perimeters. In addition there was no significant deficiencies listed in the most recent Sanitary Survey performed by the Bureau for Public Health for the Clarksburg Water Board, and there were no monitoring or reporting violations issued against Clarksburg for the past two (2) years. 129 surface water treatment plants in West Virginia in 2009 Clarksburg tied with 12 other systems for first place in the State. This is an excellent record and you can congratulate the Clarksburg Water Board and the operations staff on a job well done. We encourage all of the members and employees of the Clarksburg Water Board to keep up the good work and to continue to serve as mentors to other public water suppliers in North Central West Virginia and through out the State, congratulations. You have an excellent staff here and they do a wonderful job, thank you so much."

6. **Petitions, Communications and Public Hearing:**

A. **Communication:** Consider request from the City of Bridgeport for a reduction in their water bill due to two major water leaks during the month of June 2010.

Mr. Welch," According to our billing supervisor, our policy regarding our resale customers is not to give billing adjustments for leaks in their systems."

Following some discussion, no action was taken and the Board moved forward with the remaining agenda items.

B. Public Hearing:

Mr. Welch," The ordinance has been published in the Clarksburg newspaper for two consecutive weeks. A copy was also provided to the city clerk's office, the county commission's office to be made available to the public and to each of our resale customers. I received a copy of a letter from the Public Service Commission (PSC) to Helen J. McNemar 207 Euclid Avenue, Clarksburg, to acknowledge receipt of her letter of protest. The letter indicates that they provided her with information on what constitutes a petition for the PSC to review a municipal ordinance."

Board President, Gary Hamrick asked if anyone was present to speak for or against this ordinance.

One individual was present before the Board to protest against the rate increase. Anthony Oliveto of 498 Horner Avenue, Clarksburg. Mr. Oliveto stated that he felt the rate increase would not be necessary if the expenditures were reduced. Mr. Oliveto said," I am not present to criticize the Water Board, but we have got to make water more affordable."

Mr. Keeley," It is a 100 year old system and since we came on board we have had the valves exercised and now they have been exercised all over town. So like the leak on Chestnut Street we were able to shut off a couple of valves and not the whole town. We had sludge truck running from the plant across Clarksburg and we had to put in a sludge press. It has been a big improvement on it and taking the truck off of the road has saved money. We have replaced the main lines in town on Pike and Main Street and that is an improvement that will possibly last another hundred of years but if we didn't do that we were going to have major problems. We had to spend some money in order to make the system better and yes it is not cheap to do it, but we are doing it and I think a pretty good job of getting this system up to where it is prepared for the next century."

7. Consideration and ***SECOND READING*** and **FINAL VOTE** of an **ORDINANCE** of the Clarksburg Water Board increasing rates and charges for water service for customers of the water system of the Clarksburg Water Board, Harrison County, West Virginia:

Mr. Hamrick," The Second Reading and Final Vote of an Ordinance of the Clarksburg Water Board increasing rates and charges for water service for customers for the water system of the Clarksburg Water Board, Harrison County, West Virginia.

Following some discussion, **A MOTION** was made by Mr. Cox, seconded by Mr. Keeley and unanimously carried, approving the Second Reading and Final Vote of an Ordinance of the Clarksburg Water Board increasing rates and charges for water service for customers of the water system of the Clarksburg Water Board, Harrison County, West Virginia.

8. Proposal to refinance bonds to be presentation by Crews & Associates representatives Robert Steptoe III and Charles C. Steele.

Mr. Robert Steptoe III, of Crews & Associates appeared before the Board to discuss a "Forward Refunding" and, provided handouts to the Board members and the Manager. Mr. Steptoe stated that the Clarksburg Water Board was allowed one advanced refunding and although the Board had already taken advantage of the one time refunding the Board could still do a "Forward Refunding" and take advantage of the low interest rates with a possible substantial savings in the debt service each year. Mr. Steptoe added that the board could also have the refund at the date of conversion which is September of 2012 and that they could use the refund in any legitimate Board business.

Following some discussion the **Board's decision** was to have Mr. Steptoe to further research for additional information and to bring that information back to the next regular Board meeting scheduled for Tuesday, August 10, 2010 at 2:30 p.m.

9. Richard D. Welch, General Manager's Report / Update:

1. Consideration of Water Asset Transfer Agreement with United Hospital Center, Inc:

Mr. Welch," The agreement that you have in your board packet has been revised to add some additional language. John and I had talked before the board meeting we would like for the Board to reconsider approving this agreement."

A MOTION was made by Mr. Cox, seconded by Mr. Hamrick and unanimously carried, approving the Water Asset Transfer Agreement upon the addition of the language changes made to the revised agreement.

Mr. Keeley recused himself due to his affiliation with United Hospital Center (UHC).

2. Progress Report / Updates:

10. Adjournment: There being no more business to come before the Board, **A MOTION** was made by Mr. Keeley, seconded by Mr. Cox and unanimously carried, adjourning the Board meeting of Tuesday, July 27, 2010 at 3:55 p.m.

Secretary

President

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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Bridgeport, WV 26330
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Writer's Contact Information

April 26, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

City of Clarksburg
Clarksburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by the City of Clarksburg, West Virginia (the "Issuer") of its $9,220,000 aggregate principal amount of Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds").

The Series 2013 A Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 19 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on March 7, 2013, as supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on March 21, 2013 (collectively, the "Ordinance"), and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Ordinance when used herein.

The Series 2013 A Bonds are issued in fully registered form, are dated April 26, 2013, upon original issuance, mature on September 1 in the years and amounts and bear interest payable each March 1 and September 1, commencing September 1, 2013, as set forth in the Ordinance.

The Series 2013 A Bonds are not subject to redemption prior to maturity.

The Ordinance provides that the Series 2013 A Bonds are issued for the purpose of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002 (the "Series 2002

Bonds"), funding a debt service reserve account for the Series 2013 A Bonds and paying costs of issuance of the Series 2013 A Bonds and related costs.

The Series 2013 A Bonds have been sold to Crews & Associates, Inc. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement dated April 9, 2013, and accepted by the Issuer (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Original Purchaser and other entities contained in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants and representations of the Issuer and others set forth in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and such certifications, we are of the opinion, under existing law and as of the date hereof, that:

1. The Issuer is a duly organized and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to adopt and enact the Ordinance, enter into the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and Tax Certificate, perform its obligations under the terms and provisions thereof and to issue and sell the Series 2013 A Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted and enacted the Ordinance, has authorized, executed and delivered the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate, has authorized the distribution of the Official Statement in connection with the marketing and sale of the Series 2013 A Bonds, and has issued and delivered the Series 2013 A Bonds to the Original Purchaser pursuant to the Bond Purchase Agreement. The Ordinance is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms.

4. The Series 2013 A Bonds have been duly authorized, executed and delivered by the Issuer and, assuming proper authentication, constitute valid and legally enforceable limited obligations of the Issuer, payable solely from, and secured by a lien on, the Gross Revenues of the System, on a parity with the Issuer's outstanding: (1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850 (the "Series 2001 A Bonds"); and (2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004,

issued in the original aggregate principal amount of $1,885,764 (the "Series 2004 A Bonds"), (collectively, the "Prior Bonds"). The Series 2013 A Bonds are enforceable in accordance with their terms and the terms of the Ordinance, and are entitled to the benefits of the Ordinance and the Act.

5. The Series 2002 Bonds have been paid within the meaning and with the effect expressed in the Ordinance, as supplemented, pursuant to which they were issued, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 2002 Bonds have been satisfied and discharged. In rendering the opinion set forth in this paragraph, we have relied upon the Receipt and Release of the West Virginia Municipal Bond Commission as to the sufficiency of the monies on deposit to provide for the payment of the principal of, interest on, and premium, if any, of the Series 2002 Bonds.

6. Under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Series 2013 A Bonds (including any original issue discount properly allocable to owners of the Bonds) is excludable from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations. It should be noted, however, that for the purpose of computing the alternative minimum tax on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. Ownership of tax-exempt obligations, including the Series 2013 A Bonds, may result in collateral federal income tax consequences to certain taxpayers, including without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. We offer no opinion as to such collateral tax consequences or any other federal tax consequences arising with respect to the Series 2013 A Bonds. Prospective purchasers of the Series 2013 A Bonds should consult their own tax advisors as to such consequences. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder (collectively, the "Code") that must be satisfied subsequent to issuance of the Series 2013 A Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and with all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Series 2013 A Bonds set forth in the Ordinance, the Prepayment Agreement, the Tax Certificate and the certifications of the Issuer and others. Failure to comply with such Code provisions or such certifications, covenants and representations could cause the interest on the Series 2013 A Bonds to be includable in gross income retroactive to the date of issuance of the Series 2013 A Bonds.

7. Under the Act, the Series 2013 A Bonds and the income therefrom are exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

8. The Issuer has designated the Series 2013 A Bonds as "Qualified Tax-Exempt Obligations" for purposes of paragraph (3) of Section 265(b) of the Code and covenanted that not

more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income taxes (excluding, however, obligations described in Section 265(b)(3)(C)(ii) of the Code), including the Bonds, have been or shall be issued by the Issuer or any entities subordinate to it, during the calendar year 2013, all as determined in accordance with the Code. For purposes of this paragraph and for the purposes of applying such Section 265(b)(3) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 265(b)(3) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and all entities benefitting thereby shall be treated as one issuer. Therefore, the Series 2013 A Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

9. The Series 2013 A Bonds are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and the West Virginia Uniform Securities Act, as amended, and it is not necessary, in connection with the public offering and sale of the Series 2013 A Bonds, to register any securities under said Securities Acts.

It is to be understood that the rights of the holders of the Series 2013 A Bonds and the enforceability of the Series 2013 A Bonds, the Ordinance, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, and the liens, pledges, rights or remedies with respect thereto, are subject to and may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally and that their enforcement may also be subject to the application of public policy, general principles of equity and the exercise of judicial discretion in appropriate cases.

We do not express any opinion as to the sufficiency or accuracy of the material, information or financial statements which are set forth in the official statement prepared and used in connection with the offering and sale of the Series 2013 A Bonds.

We have examined the executed and authenticated Series 2013 A Bonds of said issue, and in our opinion, said Series 2013 A Bonds are in proper form and have been duly executed and authenticated.

Very truly yours,

Steptoe & Johnson PLLC

STEPTOE & JOHNSON PLLC

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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Bridgeport, WV 26330
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Writer's Contact Information

April 26, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

City of Clarksburg
Clarksburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance and sale by the City of Clarksburg (the "City" or "Issuer") of its $9,220,000 aggregate principal amount of Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds"). In our capacity as bond counsel, we are delivering an opinion of even date herewith concerning the legality of the Series 2013 A Bonds and the exclusion of interest on the Series 2013 A Bonds from gross income for federal income tax purposes (the "Bond Counsel Opinion"). We have examined the documents and instruments as described in the Bond Counsel Opinion, the Official Statement and such other matters as we have deemed necessary or appropriate to render this opinion. Words and terms used in this opinion shall have the meanings assigned to them in the Bond Purchase Agreement (the "Bond Purchase Agreement") dated April 9, 2013, between the City and Crews & Associates, Inc. (the "Underwriter") and agreed to by the Clarksburg Water Board (the "Board").

Based upon the foregoing, we are of opinion that:

(1) The Bond Purchase Agreement has been duly authorized, executed and delivered by, and (assuming due authorization, execution and delivery by the other parties thereto and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of the City (except to the extent that enforceability may be limited by bankruptcy, insolvency or other laws or equitable principles affecting creditors' rights generally).

(2) The Series 2013 A Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Ordinance is exempt from qualification as a trust indenture pursuant to the Trust Indenture Act of 1939, as amended.

(3) The Official Statement has been duly approved, signed and delivered by the City, and the City has authorized the distribution of the Official Statement and the use thereof by the Underwriter in connection with the offering of the Series 2013 A Bonds.

(4) The statements contained in the Official Statement under the caption "Tax Matters" are true and accurate in all material respects and presents a fair and accurate summary and description of the matters summarized and described under such caption.

(5) Nothing has come to our attention which would lead us to believe that the statements contained in the Official Statement under the captions "Security for the Series 2013 A Bonds," "The Series 2013 A Bonds" (except for the statements referred to therein under "Appendix G- Book-Entry Only System" with respect to the Depository Trust Company), "Financing Plan," "Appendix D- Form of Opinion of Bond Counsel" and "Appendix F- Form of Ordinance and Supplemental Parameters Resolution", except for financial or statistical data therein as to which no opinion is hereby expressed, insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, do not present fairly in all material respects the matters referred to therein.

Very truly yours,

Steptoe & Johnson PLLC

STEPTOE & JOHNSON PLLC

155510.00031

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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Bridgeport, WV 26330
(304) 933-8000 (304) 933-8183 Fax
www.steptoe-johnson.com

Writer's Contact Information

April 26, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

City of Clarksburg
Clarksburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance and sale by the City of Clarksburg (the "City" or "Issuer") of its $9,220,000 aggregate principal amount of Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds"). In our capacity as bond counsel, we are delivering an opinion of even date herewith concerning the legality of the Series 2013 A Bonds and the exclusion of interest on the Series 2013 A Bonds from gross income for federal income tax purposes (the "Bond Counsel Opinion"). We have examined the documents and instruments as described in the Bond Counsel Opinion, the Official Statement and such other matters as we have deemed necessary or appropriate to render this opinion. Words and terms used in this opinion shall have the meanings assigned to them in the Bond Purchase Agreement (the "Bond Purchase Agreement") dated April 9, 2013, between the City and Crews & Associates, Inc. (the "Underwriter") and agreed to by the Clarksburg Water Board (the "Board").

Based upon the foregoing, we are of opinion that:

(1) The Bond Purchase Agreement has been duly authorized, executed and delivered by, and (assuming due authorization, execution and delivery by the other parties thereto and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of the City (except to the extent that enforceability may be limited by bankruptcy, insolvency or other laws or equitable principles affecting creditors' rights generally).

(2) The Series 2013 A Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Ordinance is exempt from qualification as a trust indenture pursuant to the Trust Indenture Act of 1939, as amended.

(3) The Official Statement has been duly approved, signed and delivered by the City, and the City has authorized the distribution of the Official Statement and the use thereof by the Underwriter in connection with the offering of the Series 2013 A Bonds.

(4) The statements contained in the Official Statement under the caption "Tax Matters" are true and accurate in all material respects and presents a fair and accurate summary and description of the matters summarized and described under such caption.

(5) Nothing has come to our attention which would lead us to believe that the statements contained in the Official Statement under the captions "Security for the Series 2013 A Bonds," "The Series 2013 A Bonds" (except for the statements referred to therein under "Appendix G- Book-Entry Only System" with respect to the Depository Trust Company), "Financing Plan," "Appendix D- Form of Opinion of Bond Counsel" and "Appendix F- Form of Ordinance and Supplemental Parameters Resolution", except for financial or statistical data therein as to which no opinion is hereby expressed, insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, do not present fairly in all material respects the matters referred to therein.

Very truly yours,

Steptoe & Johnson PLLC

STEPTOE & JOHNSON PLLC

155510.00031

LAW OFFICES OF
YOUNG MORGAN & CANN, PLLC
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ROGER J. MORGAN (2011)
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LLOYD H. YOUNG (1978)

April 26, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

City of Clarksburg
Clarksburg, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Crews & Associates, Inc.
Charleston, West Virginia

Jackson Kelly PLLC
Charleston, West Virginia

Ladies and Gentlemen:

We have acted as counsel for the City of Clarksburg, West Virginia (the "City") in connection with the sale of the above-referenced Bonds (the "Series 2013 A Bonds"), which are being delivered and sold pursuant to a Bond Purchase Agreement dated as of April 9, 2013, 2013 (the "Bond Purchase Agreement") between Crews & Associates, Inc. (the "Underwriter") and the City and agreed to by the Clarksburg Water Board (the "Board"). Any capitalized term used herein and not defined herein shall have the meaning assigned to it in the Bond Purchase Agreement or in the Ordinance of the City relating to the Series 2013 A Bonds enacted on March 7, 2013, as supplemented by a Supplemental Parameters Resolution adopted by the City Council of the City on March 21, 2013 (collectively, the "Ordinance").

In this connection, we have reviewed and examined certain proceedings and documents with respect to the Series 2013 A Bonds, any such records, certificates and other documents as we have considered necessary or appropriate for the purposes of this opinion, the Constitution and the laws of the State of West Virginia, including Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), the Ordinance, the Prepayment Agreement, the Continuing Disclosure Agreement, the Bond Purchase Agreement, the Tax and Non-Arbitrage Certificate of the City, the Preliminary Official Statement dated April 2, 2013 and the Official Statement dated April 9, 2013, with respect to the issuance and offering of the Series 2013 A Bonds (collectively, the "Official Statement") and a closing certificate of the City. Based on such review and such other considerations of law and fact as we believe to be relevant, we are of the opinion that:

1. The City is a municipal corporation and political subdivision duly organized and existing under the laws and Constitution of the State of West Virginia. The City is authorized by the laws of the State of West Virginia, as provided by the Act, to enter into and perform its obligations under the Ordinance, the Prepayment Agreement, the Continuing Disclosure Agreement and the Bond Purchase Agreement.

2. The City has full power and authority to consummate all transactions contemplated by the Series 2013 A Bonds, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Prepayment Agreement, the Official Statement and any other agreements relating thereto, to which the City is a party and the City has complied with all requirements of the Act that must be satisfied in connection with the issuance of the Series 2013 A Bonds.

3. The City has duly authorized all action necessary to be taken by it or on its behalf for (i) the execution and delivery of the Prepayment Agreement, the Continuing Disclosure Agreement, the Bond Purchase Agreement and the Tax and Non-Arbitrage Certificate, (ii) the approval of the distribution of the Official Statement; (iii) the ratification of the actions of the City and the issuance and delivery of the Series 2013 A Bonds upon the terms set forth in the Ordinance; and (iv) the carrying out, giving effect to and consummation of the transactions contemplated thereby.

4. The Prepayment Agreement, the Continuing Disclosure Agreement, the Purchase Agreement and the Tax and Non-Arbitrage Certificate have been duly and validly authorized, executed and delivered by the Issuer and the same are in full force and effect as of the date hereof and are valid and legally binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, except to the extent the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally.

5. The Ordinance has been duly enacted and adopted at meetings of the governing body of the Issuer which were called and held pursuant to law and in accordance with all applicable open meeting laws and at which a quorum was present and acting at each such meeting.

6. The execution and delivery by the Issuer of the Prepayment Agreement, the Continuing Disclosure Agreement, the Bond Purchase Agreement and the Tax and Non-Arbitrage Certificate and the performance of its obligations thereunder do not and will not result in a violation of the provisions of, or in default under, the West Virginia statutes or city charter organizing and governing the Issuer or, to the best of our knowledge following appropriate inquiry and investigation, any agreement or other instrument to which the Issuer is a party or by which it or its properties are bound.

7. All actions necessary to be taken by the Issuer have been taken, and no additional approval, authorization, consent or other order of the Issuer or any public board or body, other than those previously obtained is legally required to allow the Issuer to enter into and perform its obligations under the Prepayment Agreement, the Continuing Disclosure Agreement,

the Bond Purchase Agreement, the Tax and Non-Arbitrage Certificate or as described in the Official Statement.

8. There are no legal or governmental actions, proceedings, inquiries or investigations pending or threatened by governmental authorities or to which the Issuer is a party or of which any property of the Issuer is subject, except as described in the Official Statement, which in any way affects the existence of the City or the title of its officers to their respective offices or seeking to restrain and enjoin the issuance and delivery of the Series 2013 A Bonds or the collection of Gross Revenues of the System pledged or to be pledged to the payment of the principal of or interest on the Series 2013 A Bonds, or the pledge thereof, or in any way contesting the validity or enforceability of the Series 2013 A Bonds, the Ordinance, the Bond Purchase Agreement or the Continuing Disclosure Agreement or contesting the powers of the City with respect to the Series 2013 A Bonds, the Ordinance, the Bond Purchase Agreement or the Continuing Disclosure Agreement or any transaction described in or contemplated by the Official Statement.

9. The Official Statement, as amended or supplemented to the date hereof, contains no untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein regarding the City, in light of the circumstances under which they were made, not misleading.

10. The statements contained in the Official Statement under the captions "The System," "Absence of Material Litigation," "Financing Plan," and "Appendix B- The System," insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, except for financial or statistical data therein or matters relating to the book entry system maintained by the Depository Trust Company as to which no opinion is hereby expressed, are accurate and present a fair summary of the matters referred to therein.

All counsel to this transaction may rely upon the foregoing opinion as if specifically addressed to them. We hereby consent to the references made to us in the Official Statement.

Very truly yours,

YOUNG MORGAN & CANN, PLLC

By _____
Gregory A. Morgan

g/doc/city/waterrefundrevbonds/opinion

KAY CASTO & CHANEY PLLC
Attorneys at Law

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April 26, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

City of Clarksburg
Clarksburg, West Virginia

Clarksburg Water Board
Clarksburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Jackson Kelly PLLC
Charleston, West Virginia

Ladies and Gentlemen:

We are counsel to the Clarksburg Water Board (the "Board"), a municipal water board existing under Section 25 of the Charter (the "Charter") of the City of Clarksburg, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, the opinion of Young Morgan & Cann PLLC, as counsel to the Issuer, a Bond Purchase Agreement dated April 9, 2013 (the "Bond Purchase Agreement"), by and between the Issuer and Crews & Associates, Inc. (the "Underwriter") and agreed to by the Board, the Bond Ordinance duly enacted by the Issuer on March 7, 2013, as supplemented by the Supplemental Parameters Resolution duly adopted by the Issuer on March 21, 2013 (collectively, the "Issuer Ordinance"), the approving Resolution adopted by the Board on January 22, 2013 and the Supplemental Parameters Resolution adopted by the Board on March 26, 2013 (collectively, the "Board Approvals" and collectively with the Issuer Ordinance, the "Official Actions"), a Continuing Disclosure Agreement by and among the Issuer, the Board and WesBanco Bank, Inc., as dissemination agent (the "Continuing Disclosure Agreement"), the Preliminary Official Statement dated April 2, 2013 and the Official Statement dated April 9, 2013, with respect to the issuance and offering of the Series 2013 A Bonds (collectively, the "Official Statement") and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). The Bonds are being issued pursuant to the Constitution and the laws of the State of West Virginia, including Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"). Capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Official Actions and the Bond Purchase Agreement when used herein.

We are of the opinion that:

1. The Board is an independent board of the Issuer, duly established and validly existing under the laws of the State of West Virginia pursuant to the Charter, and the members and officers of the Board have been duly and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act on behalf of the Board in their respective capacities.

2. The Board has complied with all requirements of the Act that must be satisfied in connection with the issuance and sale of the Bonds.

3. The Board has all necessary power and authority pursuant to the Charter, the Act and other applicable provisions of law to operate and maintain the System and to set and enforce water rates and charges for the System.

4. The Board Approvals have been duly adopted and enacted by the Board and the same are in full force and effect as of the date hereof without amendment or modification.

5. The Bond Purchase Agreement, Issuer Ordinance and Continuing Disclosure Agreement have been duly authorized, executed and delivered by the Board and, assuming due authorization, execution and delivery by the other parties thereto, constitute valid and binding agreements of the Board enforceable in accordance with their respective terms.

6. The execution and delivery of the Issuer Ordinance, the Bond Purchase Agreement and the Continuing Disclosure Agreement and the consummation of the transactions contemplated 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 Board, a breach of or default under any ordinance, order, resolution, agreement or other instrument to which the Board is a party or any existing law, regulation, court order or consent decree to which the Board is subject.

7. The Board has received all permits, licenses, approvals, exemptions, consents, registrations, certificates and authorizations required by law for the issuance of the Bonds, the operation of the System and the imposition of rates and charges for use of the System, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance on July 27, 2010 prescribing such rates and charges and such rates and charges are currently in full force and effect and are not subject to appeal.

8. There are no legal or governmental actions, proceedings, inquiries or investigations pending or threatened by governmental authorities or to which the Board is a party or of which any property of the Board is subject, except as described in the Official Statement, which in any way affects the existence of the Board or the title of its officers to their respective offices or seeking to restrain and enjoin the issuance and delivery of the Series 2013 A Bonds or the collection of Gross Revenues of the System pledged or to be pledged to the payment of the principal of or interest on the Series 2013 A Bonds, or the pledge thereof, or in any way

contesting the validity or enforceability of the Series 2013 A Bonds, the Official Actions, the Bond Purchase Agreement or the Continuing Disclosure Agreement or contesting the powers of the Board with respect to the Series 2013 A Bonds, the Official Actions, the Bond Purchase Agreement or the Continuing Disclosure Agreement or any transaction described in or contemplated by the Official Statement.

9. The Official Statement, as amended or supplemented to the date hereof, contains no untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein regarding the Board, in light of the circumstances under which they were made, not misleading.

10. The statements contained in the Official Statement under the captions "The System," "Absence of Material Litigation," "Financing Plan," and "Appendix B- The System," insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, except for financial or statistical data therein or matters relating to the book entry system maintained by the Depository Trust Company as to which no opinion is hereby expressed, are accurate and present a fair summary of the matters referred to therein.

All counsel to this transaction may rely upon this opinion as if specifically addressed to them. We hereby consent to the references made to us in the Official Statement.

Very truly yours,

KAY CASTO & CHANEY, PLLC

JACKSONKELLY
ATTORNEYS AT LAW PLLC
500 LEE STREET EAST • SUITE 1600 • P.O. BOX 553 • CHARLESTON, WEST VIRGINIA 25322 • TELEPHONE: 304-340-1000 • TELECOPIER: 304-340-1130
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April 26, 2013

Crews & Associates, Inc.
521 President Clinton Ave., Suite 800
Little Rock, AR 72207

Re: $9,220,000 City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A

Ladies and Gentlemen:

We have acted as counsel to you (the "Underwriter") in connection with the issuance and sale by the City of Clarksburg (the "Issuer") of its Water Refunding Revenue Bonds, Series 2013 A (the "Series 2013 Bonds") in the aggregate principal amount of $9,220,000. In connection with rendering this opinion, we have examined the Official Statement dated April 9, 2013, the Bond Purchase Agreement dated April 9, 2013 (the "Purchase Agreement"), the Continuing Disclosure Agreement between the Issuer and WesBanco Bank, Inc., as Disclosure Agent, dated as of the Closing Date (the "Undertaking"), and Rule 15c2-12 of the Securities Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). Capitalized terms used but not defined herein shall have the meanings set forth in the Purchase Agreement.

Based upon the foregoing, we are of the opinion that:

(a) The Purchase Agreement has been duly authorized, executed and delivered on behalf of the Underwriter and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of the Underwriter;

(b) The Continuing Disclosure Agreement complies as to form in all material respects with the requirements of paragraph (b)(5) of the Rule; and

(c) With respect to the Official Statement, no facts have come to our attention that the Official Statement contains any untrue statements of a material fact or omits to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This opinion is solely for the benefit of, and may be relied upon only by, the Underwriter; and it is not to be used, circulated, quoted or otherwise referred to for

any other purpose, except that a copy hereof may be included in its transcript of closing documents pertaining to the delivery of the Series 2013 Bonds.

Very truly yours,

Jack Kelly PLLC

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

GENERAL CERTIFICATE OF THE CITY OF CLARKSBURG ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. RATES
5. PUBLICATION OF NOTICES
6. AWARD OF BONDS; SIGNATURES
7. DELIVERY AND PAYMENT
8. CERTIFICATION OF DOCUMENTS
9. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
10. MEETINGS, ETC.
11. INCUMBENCY AND OFFICIAL NAME
12. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
13. DEFEASANCE OF SERIES 2002 BONDS
14. SPECIMEN BONDS
15. NO FEDERAL GUARANTY
16. IRS INFORMATION RETURN
17. OFFICIAL STATEMENT CERTIFICATION
18. CERTIFICATIONS REGARDING BOND PURCHASE AGREEMENT
19. DESIGNATION OF REGISTRAR, PAYING AGENT AND DEPOSITORY BANK
20. COUNTERPARTS

We, the undersigned MAYOR, CITY MANAGER and CITY CLERK of the City of Clarksburg, West Virginia (the "Issuer"), hereby certify this 26th day of April, 2013 in connection with the $9,220,000 aggregate principal amount of the City of Clarksburg Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds" or "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meanings as set forth in the Bond Ordinance of the Issuer enacted March 7, 2013, as supplemented by a Supplemental Parameters Resolution of the Issuer adopted March 21, 2013 (collectively, the "Ordinance").

2. NO LITIGATION: Except as otherwise disclosed in the Official Statement, no controversy or litigation of any nature is now pending or, to the knowledge of any

of the undersigned, threatened, restraining, enjoining or affecting in any manner the issuance, sale and delivery of the Series 2013 A Bonds, the refunding of the Series 2002 Bonds, the collection or use of the revenues of the System, or the respective pledge thereof to the payment of the principal and interest on the Series 2013 A Bonds, nor in any manner questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Series 2013 A Bonds, nor in any manner affecting the validity or enforceability of the Series 2013 A Bonds, the Ordinance or the Bond Purchase Agreement, dated April 9, 2013 (the "Bond Purchase Agreement"), by and between the Issuer and Crews & Associates, Inc. (the "Underwriter") or any agreement or instrument relating thereto, used or contemplated by the Bond Purchase Agreement or any provisions made or authorized for the payment of the Series 2013 A Bonds; nor in any manner questioning the valid existence of the Issuer or the authority or titles of the Mayor, City Clerk and the members of the Council and other officials of the Issuer to their respective offices; nor in any manner questioning any proceeding, procedure, action or thing followed, taken or done in connection with the issuance, sale and delivery of the Series 2013 A Bonds or the refunding and payment of the Series 2002 Bonds, which is not set forth in the Official Statement relating to the Series 2013 A Bonds.

3. GOVERNMENTAL APPROVALS: All applicable approvals and certificates required by law for operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Series 2013 A Bonds, have been obtained as of the date hereof and remain in full force and effect.

4. RATES: On July 27, 2010, the Clarksburg Water Board passed a water rate ordinance establishing new rates and charges for the waterworks system. The rates are currently in full force and effect.

5. PUBLICATION OF NOTICES: Notice of the public hearing upon the Ordinance was duly published as required by law. The Council of the Issuer approved the Ordinance, and the Ordinance became fully effective March 7, 2013 and remains in full force and effect on the date hereof. The Ordinance was supplemented by a Supplemental Parameters Resolution adopted by the Issuer on March 21, 2013.

6. AWARD OF BONDS; SIGNATURES: The Series 2013 A Bonds were awarded to the Underwriter upon a negotiated basis at the price of $8,990,155.50 (par amount of $9,220,000, plus a reoffering premium in the amount of $655.50, and less underwriter's discount of $230,500). As of the date hereof, the Series 2013 A Bonds were duly signed by the manual signature of the Mayor and City Manager, and the official seal of the Issuer, which seal is impressed upon this Certificate, was impressed or imprinted thereon and attested by the manual signature of the City Clerk.

7. DELIVERY AND PAYMENT: On the date hereof the undersigned Mayor and City Manager did deliver to the Underwriter the entire issue of the Series 2013 A Bonds, numbered AR-1 to AR-7.

At the time of delivery of the Series 2013 A Bonds, there was paid to the Issuer (or others, on behalf of the Issuer) the agreed price therefor as follows:

Par Amount of Series 2013 A Bonds	$9,220,000.00
Plus: Reoffering Premium	$655.50
Less: Underwriter's Discount	($230,500.00)
Total	$8,990,155.50

Series 2013 A Bonds proceeds in the amount of $8,990,155.50 was made in immediately available funds (federal funds wire) and the uses are shown below:

Deposit to Series 2002 Bonds Prepayment Fund	$7,981,474.96
Fund the Series 2013 A Bonds Reserve Fund	$922,000.00
Cost of Issuance and Rounding Amount	$ 86,680.54
Total	$8,990,155.50

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

Bond Ordinance

Supplemental Parameters Resolution

Certificate of Determinations

Specimen Series 2013 A Bonds

City Charter

City Council Rules of Procedure

Oaths of Office of Councilmembers

Minutes on Enactment of Bond Ordinance and Supplemental Parameters Resolution

Affidavit of Publication of Notice of Public Hearing

Tax and Non-Arbitrage Certificate of Issuer

Preliminary Official Statement

Official Statement

Bond Purchase Agreement

Continuing Disclosure Agreement

Rule 15c-2-12 Certificate

Prepayment Agreement

DTC Blanket Letter of Representations

IRS Information Return (Form 8038-G)

Municipal Bond Commission New Issue Report

Prior Bond Ordinances

9. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: Except as otherwise disclosed in the Official Statement, there has been no adverse change in the financial condition of the Issuer or the System since June 30, 2012. The Issuer has heretofore financed and refinanced the acquisition and construction of the System and certain additions, betterments and improvements thereto by the issuance of its bonds, of which there are presently outstanding its: (1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850 (the "Series 2001 A Bonds"); and (2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 9, 2004, issued in the original aggregate principal amount of $1,885,764 (the "Series 2004 A Bonds"), (collectively, the "Prior Bonds").

The Series 2013 A Bonds shall be issued on a parity with one another and with the Prior Bonds, all of which shall have a first lien position with respect to pledge and source of and security for payment and in all other respects. The Issuer has met the coverage requirements for issuance of parity bonds of the Prior Bonds and the Prior Ordinances and has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The respective debt service reserve funds for the Prior Bonds are fully funded as of the date hereof.

10. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Series 2013 A Bonds were authorized or adopted at meetings of the Council of the Issuer duly and regularly called and held pursuant to the City Charter and City Council Rules of Procedure, and all applicable statutes, including Chapter 6, Article 9A of the Official West Virginia Code of 1931, as amended, and a quorum of duly elected, qualified and acting members of the council was present and acting at all times during all such meetings.

11. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is the "City of Clarksburg." The Issuer is a municipal corporation in Harrison County and is presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its Council, consisting of a Mayor and 6 Council members, all duly elected, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
Patsy S. Trecost II, Mayor	July 1, 2009	June 30, 2013
Catherine A Goings, Vice Mayor	July 1, 2011	June 30, 2015
Margaret A. Bailey	July 1, 2011	June 30, 2015
Gary R. Bowden	July 1, 2011	June 30, 2015
Robert J. Caplan	January 17, 2013	June 30, 2013
Sam Lopez	July 1, 2009	June 30, 2013
Mary A. Mayer	July 1, 2009	June 30, 2013

The duly appointed and acting legal counsel to the Issuer is Young Morgan & Cann PLLC, Clarksburg, West Virginia. The duly appointed and acting City Manager of the Issuer is Martin Howe. The duly appointed and acting City Clerk of the Issuer is Annette M. Wright.

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

13. DEFEASANCE OF SERIES 2002 BONDS: As of the date hereof, the Series 2002 Bonds have been prepaid and refunded and the liens and pledges securing the Series 2002 Bonds have been discharged and defeased.

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

15. NO FEDERAL GUARANTY: The Series 2013 A Bonds are not, in whole or part, and will not be, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

16. 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, Ogden, Utah, with respect to the Series 2013 A Bonds.

17. OFFICIAL STATEMENT CERTIFICATION: At and since the date of the Official Statement nothing has come to the attention of any signer hereof which would lead any such signer to believe that the Official Statement contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

18. CERTIFICATIONS REGARDING BOND PURCHASE AGREEMENT: In addition to the foregoing, the undersigned Mayor and City Manager hereby certify in connection with Section 6(c)(vii) of the Bond Purchase Agreement as follows: (i) the Issuer has duly performed all of its obligations to be performed at or prior to the Closing and each of its representations and warranties contained in the Bond Purchase Agreement are true as of Closing, (ii) the Issuer has authorized, by all necessary action, the execution, delivery, receipt and due performance of the Series 2013 A Bonds, the Undertaking, represented by the Continuing Disclosure Agreement, the Ordinance and any and all such other agreements and documents as may be required to be executed, delivered and received by the Underwriter in order to carry out, give effect to and consummate the transactions contemplated by the Bond Purchase Agreement and by the Official Statement, (iii) to the Issuer's knowledge no litigation is pending or threatened which would restrain or enjoin the collection of the Gross Revenues, the pledge of the Gross Revenues to the Series 2013 A Bonds, the issuance or sale of the Series 2013 A Bonds or in any way affecting any authority for or the validity of the Series 2013 A Bonds or the Ordinance, (iv) to the best of our knowledge following appropriate inquiry, the execution, delivery, receipt and due performance of the Series 2013 A Bonds, the Undertaking, the Ordinance and the other agreements contemplated by the Bond Purchase Agreement and by the Official Statement under the circumstances contemplated thereby and the Issuer's compliance with the provisions thereof will not conflict with or constitute on its part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the Issuer is subject or by which the Issuer is or may be bound and (v) the undersigned are aware of no material non-compliance with all covenants in its outstanding ordinances which authorized bonds secured by the Gross Revenues of the System.

19. DESIGNATION OF REGISTRAR, PAYING AGENT AND DEPOSITORY BANK: The Issuer hereby confirms the appointment of (a) WesBanco Bank, Inc, Wheeling, West Virginia, as Registrar, (b) WesBanco Bank, Inc., Clarksburg, West Virginia, as Depository Bank and (c) West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent.

20. COUNTERPARTS: This Certificate may be executed in counterparts, and all counterparts shall be deemed to be the Certificate.

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WITNESS our signatures and the official corporate seal of the CITY OF CLARKSBURG on the day and year first written above.

[SEAL]

Signature	Official Title
Patsy S. Trecost	Mayor
	City Manager
Antoinette M. Wright	City Clerk

155510.00031

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

GENERAL CERTIFICATE OF CLARKSBURG WATER BOARD ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. INCUMBENCY AND OFFICIAL NAME
6. LAND AND RIGHTS-OF-WAY
7. MEETINGS, ETC.
8. CERTIFICATION OF DOCUMENTS
9. OPERATION OF SYSTEM AND IMPOSITION OF WATER RATES
10. PRIVATE USE OF FACILITIES
11. NO FEDERAL GUARANTY
12. CERTIFICATIONS PURSUANT TO BOND PURCHASE AGREEMENT
13. OFFICIAL STATEMENT CERTIFICATION
14. EXECUTION OF COUNTERPARTS

We, the undersigned PRESIDENT and GENERAL MANAGER of the Clarksburg Water Board in Harrison County, West Virginia (the "Board") hereby certify in connection with the Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt), dated the date hereof (the "Bonds" or the "Series 2013 A Bonds"), of the City of Clarksburg (the "Issuer") as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Ordinance of the Issuer duly enacted March 7, 2013, and the Supplemental Resolution duly adopted March 21, 2013 (collectively, the "Bond Legislation").

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

3. GOVERNMENTAL APPROVALS: All applicable approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the operation of the System, the imposition of water rates and charges with respect to the System, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Board since the June 30, 2012 fiscal year end for its audited financial statements and since the approval, execution and delivery by the Issuer of the Bond Purchase Agreement, and the Issuer or the Board have met all conditions prescribed in the Bond Purchase Agreement.

5. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Board is "Clarksburg Water Board." The Board is a municipal water board existing under Section 25 of the Charter (the "Charter") of the City of Clarksburg. The governing body of the Board consists of its three members, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

Name			Date of Termination of Office
Albert N. Cox, II	-	President	June 30, 2013
John P. "Jack" Keeley	-	Member	June 30, 2013
Charles O. Thayer, III	-	Member	June 30, 2015

The duly appointed and acting Counsel to the Clarksburg Water Board is Tim Stranko, Esq. of Kay Casto & Chaney, PLLC, Morgantown, West Virginia. The duly appointed and acting General Manager of the Clarksburg Water Board is Richard D. Welch.

6. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the operation and maintenance of the System have been acquired 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.

7. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Board in any way connected with the issuance of the Bonds, the imposition of rates and charges for the System or the operation of the System were authorized or adopted at regular or special meetings of the Governing Body of the Board duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including, particularly and without limitation, Chapter 6, Article 9A of the West Virginia Code of 1931, as amended, and a quorum of duly elected or appointed, as applicable, qualified and acting members of the Governing Body was present and

acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

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

Clarksburg Water Board Charter

Oaths of Office of Clarksburg Water Board Members

Authorizing Resolution of Clarksburg Water Board

Supplemental Parameters Resolution of Clarksburg Water Board

Minutes of Meetings of Water Board on Adoption of Bond Resolutions

Water Rate Ordinance

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

Minutes on Adoption and Enactment of Water Rate Ordinance

Bond Purchase Agreement

Continuing Disclosure Agreement

Rule 15c2-12 Certificate

9. OPERATION OF SYSTEM AND IMPOSITION OF WATER RATES: The Board has all requisite power and authority pursuant to the Charter and other applicable law to operate and maintain the public waterworks system of the Issuer and to impose and collect water rates and charges for such waterworks system independent of any actions, approvals or other direction on the part of the Issuer. The Board duly enacted a water rate ordinance on July 27, 2010, setting rates and charges for the services of the System and such rates and charges are currently in full force and effect and are not subject to appeal.

10. PRIVATE USE OF FACILITIES: The Board shall at all times take, and refrain from taking, and shall not fail to take, any and all actions necessary in order 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 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 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 or other than use as a member of the general public. All of the foregoing shall be determined in accordance with and within the meaning of the Internal Revenue Code of 1986, as amended, including any successor provisions and rules and regulations thereunder (the "Code").

11. 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.

12. CERTIFICATIONS PURSUANT TO BOND PURCHASE AGREEMENT: In addition to the foregoing, the undersigned President and General Manager hereby certify in connection with Section 6(c)(viii) of the Bond Purchase Agreement as follows: (i) the Board has duly performed all of its obligations to be performed at or prior to the Closing, (ii) the Board has authorized, by all necessary action, the execution, delivery, receipt and due performance of the Series 2013 A Bonds, the Undertaking, represented by the Continuing Disclosure Agreement, and any and all such other agreements and documents as may be required to be executed, delivered and received by the Underwriter in order to carry out, give effect to and consummate the transactions contemplated by the Bond Purchase Agreement and by the Official Statement, (iii) to the Board's knowledge no litigation is pending or threatened which would restrain or enjoin the collection of the Gross Revenues, the pledge of the Gross Revenues to the Series 2013 A Bonds, the issuance or sale of the Series 2013 A Bonds or in any way affecting any authority for or the validity of the Series 2013 A Bonds, (iv) to the best of our knowledge following appropriate inquiry, the execution, delivery, receipt and due performance of the Series 2013 A Bonds, the Undertaking and the other agreements contemplated by the Bond Purchase Agreement and by the Official Statement under the circumstances contemplated thereby and the Board's compliance with the provisions thereof will not conflict with or constitute on its part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the Board is subject or by which the Board is or may be bound.

13. OFFICIAL STATEMENT CERTIFICATION: At and since the date of the Official Statement nothing has come to the attention of any signers hereof which would lead any such signers to believe that the Official Statement contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

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

[Remainder of Page Intentionally Blank]

WITNESS our signatures and the official seal of the Clarksburg Water Board on this 26th day of April, 2013.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	President
_____	General Manager

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

Dated: April 26, 2013

TAX AND NON-ARBITRAGE CERTIFICATE

The undersigned are the Mayor and City Manager of the City of Clarksburg, West Virginia (the *"City"*).

This Tax and Non-Arbitrage Certificate (the *"Tax and Non-Arbitrage Certificate"*) is executed as of April 26, 2013 for the purpose of establishing the reasonable expectations of the City as to future events regarding the $9,220,000 Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the *"Refunding Bonds"*) and the use of the proceeds of the Refunding Bonds. The certifications and representations made herein are intended, and may be relied upon, as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations. The Refunding Bonds are authorized to be executed and delivered by the Mayor and City Manager of the City pursuant to an Ordinance enacted by the Council of the City on March 7, 2013, as supplemented by a resolution adopted by the Council of the City on March 21, 2013 (collectively, the *"Ordinance"*).

This Tax and Non-Arbitrage Certificate also sets forth certain terms and conditions relating to the restrictions on the use and investment of the proceeds of the Refunding Bonds in order that the interest received by the owners of the Refunding Bonds will be excluded from gross income for federal income tax purposes.

NOW, THEREFORE, the City hereby certifies, covenants, represents and agrees as follows:

ARTICLE I

GENERAL

Section 1.1 Authorization. The Refunding Bonds are being executed and delivered by the Mayor and City Manager pursuant to the Ordinance and such execution and delivery was authorized by the Ordinance.

Section 1.2 Definitions. Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings set forth in the Ordinance or, if not defined in the Ordinance, in Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the *"Code"*), and related Treasury Regulations.

Section 1.3 Purpose of the Refunding Bonds. The Refunding Bonds are being executed and delivered for and on behalf of the City for the following purposes:

(i) to refund within 90 days of the issue date of the Refunding Bonds, all of the City's outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002 and issued in the original aggregate principal amount of $16,260,000 (the *"Bonds to be Refunded"*);

(ii) to fund a debt service reserve account for the Refunding Bonds; and

(iii) to pay the costs of issuing the Refunding Bonds.

Section 1.4 Reliance on Other Parties. The expectations of the City concerning certain uses of the proceeds of the Refunding Bonds and other matters are in some instances based in whole or in part on representations and certifications of other parties set forth in this Tax and Non-Arbitrage Certificate and accompanying certificates. The City is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation or certification made in this Tax and Non-Arbitrage Certificate and accompanying certificates.

Section 1.5 Private Activity Bond Representations. For purposes of determining whether the Refunding Bonds are private activity bonds, the City makes the following representations. For this purpose, the proceeds of the Refunding Bonds used for refunding purposes are treated in the same manner as the Bonds to be Refunded.

(i) Not more than ten percent (10%) of the proceeds of the Refunding Bonds will be used, directly or indirectly, to replace funds which were used in any business carried on by any person other than a state or local governmental unit.

(ii) Not more than ten percent (10%) of the payment of principal of or interest on the Refunding Bonds will be, directly or indirectly, (A) secured by any interest in (1) property used or to be used for a private business use by any person other than a state or local governmental unit, or (2) payments in respect of such property, or (B) derived from payments (whether or not to the City), in respect of property, or borrowed money, used or to be used for a private business use by any person other than a state or local governmental unit.

(iii) Not more than ten percent (10%) of the proceeds of the Refunding Bonds will be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(iv) No user of the facilities that were financed with the Bonds to be Refunded other than a state or local governmental unit will use more than ten percent (10%) of such facilities on any basis other than the same basis as the general public, and no person other than a state or local governmental unit will be a user of more than ten percent (10%) of such facilities as a result of (A) ownership, (B) actual or beneficial use pursuant to a lease or a management or incentive payment contract, or (C) any other similar arrangement.

Section 1.6 Single Issue for Certain Tax Purposes. No obligations are (i) being sold at substantially the same time (i.e., within fifteen (15) days) as the Refunding Bonds, (ii) being sold pursuant to the same plan of financing as the Refunding Bonds, and (iii) reasonably expected to be paid from substantially the same source of funds as the Refunding Bonds, determined without regard to guarantees from unrelated parties.

Section 1.7 Refunding Bonds not Hedge Bonds. The City reasonably expected at the time the Bonds to be Refunded were issued, to spend at least eighty-five percent (85%) of the spendable proceeds of such issue to carry out the governmental purposes for which such issue was being issued within three (3) years of the date such issue was issued. Not more than fifty percent (50%) of the Bonds to be Refunded have been or are expected to be, invested in investments having a substantially guaranteed yield for four (4) years or more.

Section 1.8 Qualified Tax-Exempt Obligations. The City has designated the Refunding Bonds as "qualified tax-exempt obligations" for purposes of paragraph (3) of Section 265(b) of the Code and as determined in accordance with Section 265(b)(3) of the Code, and the City reasonably expects that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income taxes (excluding, however, obligations described in Section 265(b)(3)(C)(ii) of the Code), including the Refunding Bonds, have been or shall be issued by the City during the calendar year 2013, all as determined in accordance with the Code. None of the Refunding Bonds is part of a direct or indirect composite issue.

Section 1.9 Post-Issuance Tax Compliance. The City agrees to continue to monitor the use of the facilities and the expenditure of proceeds of the Bonds to be Refunded, redeemed by the Refunding Bonds, in order to ensure compliance with the relevant tax rules and regulations required so that the interest on the Refunding Bonds will be excluded from gross income for federal income tax purposes. The City will use the compliance policies attached hereto as **Exhibit B**. The City further agrees and understands that if the Tax Exempt Rules are not complied with, the parties may use the remedial actions set forth in Regulations §1.141-12, or may use the voluntary closing agreement process of the Internal Revenue Service in order to bring the Bonds into compliance with the Tax Exempt Rules.

ARTICLE II

ARBITRAGE

Section 2.1 Reasonable Expectations. This Article II states the reasonable expectations, statements of facts and estimates of the City with respect to the amount and use of the proceeds of the Refunding Bonds and certain other funds. On the basis of the following, it is not expected that the Refunding Bonds will be *"arbitrage bonds"* within the meaning of Section 148 of the Code.

Section 2.2 Sale Proceeds.

(a) Sources of Proceeds. Sale proceeds of the Refunding Bonds, net of accrued interest, are as follows:

Par Amount	$9,220,000.00
Plus Reoffering Premium	$655.50
Less Underwriter's Discount	($230,500.00)
Sale Proceeds	$8,990,155.50

(b) Uses of Proceeds. The sale proceeds of the Refunding Bonds, together with funds currently on deposit with the paying agent for the Bonds to be Refunded in the Series 2002 Bonds Debt Service Reserve Fund in the amount of $1,808,383.97 and in the Series 2002 Bonds Sinking Fund in the amount of $961,713.57 are expected to be needed and fully expended as follows:

(i) Refunding Bond proceeds in the amount of $230,500 will be retained by the underwriter as an underwriter's discount and $82,500 Refunding Bond proceeds will be deposited in the Series 2013 A Bonds Costs of Issuance Fund established under the Ordinance and used to pay the costs of issuance of the Refunding Bonds;

(ii) A Refunding Bond rounding amount of $3,417.11 will be deposited into the Series 2013 A Bonds Sinking fund for application to the first debt service payment on the Series 2013 A Bonds;

(iii) Refunding Bond proceeds in the amount of $763.43 will be applied by the paying agent to the payment of the fees and expenses of such paying agent then due and owing with respect to the Bonds to be Refunded;

(iv) Refunding Bond proceeds in the amount of $7,981,474.96 will be deposited on the Closing Date with the paying agent for the Bonds to be Refunded in the Series 2002 Bonds Prepayment Fund;

(v) Refunding Bond proceeds in the amount of $922,000 will be deposited into the Series 2013 A Bonds Debt Service Reserve Fund established under the Ordinance for the Refunding Bonds.

(vi) Funds currently on deposit with the paying agent for the Bonds to be Refunded in the Series 2002 Bonds Debt Service Reserve Fund in the amount of $1,808,383.97 and in the Series 2002 Bonds Sinking Fund in the amount of $961,713.57, will be deposited by the paying agent for the Bonds to be Refunded into the Series 2002 Bonds Prepayment Fund;

(vii) The total funds deposited into the Series 2002 Bonds Prepayment Fund in the amount of $10,751,572.50 shall be invested by the paying agent on the Closing Date or as soon thereafter as possible in the West Virginia Consolidated Fund managed by the West Virginia Board of Treasury Investments (the "Consolidated Fund Investment"); and

(viii) The maturity value of the Consolidated Fund Investment shall be applied by the paying agent for the Bonds to be Refunded on May 29, 2013 (the "Redemption Date") or at such later date as the Bonds to be Refunded shall be presented for payment to such paying agent, to the payment of the principal of, redemption premium and interest

on the Bonds to be Refunded with any remaining amount being transferred to the Series 2013 A Bonds Sinking Fund and applied to the debt service next becoming due and payable on the Series 2013 A Bonds.

Section 2.3 No Overissuance. The total proceeds to be received from the sale of the Refunding Bonds and anticipated investment earnings thereon do not exceed the total of the amount necessary to finance the governmental purposes for which the Refunding Bonds are issued as described above.

Section 2.4 Investment of Proceeds. No portion of the Refunding Bonds is being issued solely for the purpose of investing the proceeds at a yield higher than the yield on the Refunding Bonds or to replace funds which were used, directly or indirectly, to acquire investments with a yield higher than the yield on the Refunding Bonds.

Section 2.5 Funds and Accounts.

(a) General. The following funds and accounts are created and established or continued under the Ordinance:

(i) Revenue Fund;

(ii) Renewal and Replacement Fund;

(iii) Operation and Maintenance Fund;

(iv) Series 2013 A Bonds Costs of Issuance Fund;

(v) Rebate Fund;

(vi) Series 2013 A Bonds Sinking Fund; and

(vii) Within the Series 2013 A Bonds Sinking Fund, the Series 2013 A Bonds Reserve Account (the "Debt Service Reserve Fund"); and the Series 2013 A Bonds Redemption Account.

The City certifies that the following subsections accurately reflect various matters relating to these funds and accounts.

(b) Revenue Fund. All monies received from time to time by the City or the Clarksburg Water Board (the "Board") from the operation of the public waterworks system of the City (the "System") by the Board are deposited into the Revenue Fund. From the Revenue Fund such monies are disbursed pursuant to Section 4.03A of the Ordinance. At no time were any proceeds of the Bonds to be Refunded on deposit in the Revenue Fund and no proceeds of the Refunding Bonds shall be deposited in the Revenue Fund.

(c) Operation and Maintenance Fund. Following the monthly transfers of funds by the City from the Revenue Fund to the Sinking Funds for the Refunding Bonds and the Prior Bonds in order to pay the interest, redemption payments and maturing principal of the Refunding

Bonds and Prior Bonds, the City is required to transfer from the Revenue Fund to the Operation and Maintenance Fund an amount sufficient to pay all Operating Expenses of the System. Only funds necessary to pay the Operating Expenses of the System shall be deposited into and disbursed from the Operation and Maintenance Fund.

(d) Renewal and Replacement Fund. A Renewal and Replacement Fund is created under the Ordinance, to be funded through monthly deposits of Gross Revenues. Absent an Event of Default on the Refunding Bonds or the depletion of any of the Reserve Accounts to a level below the reserve requirement therefore, the Renewal and Replacement Fund is not expected to be used for the purpose of paying debt service on the Refunding Bonds. The City is required to deposit 2 1/2% of the Gross Revenues each month into the Renewal and Replacement Fund. Disbursements may be made from the Renewal and Replacement Fund to pay for replacements, emergency repairs, or improvements or extensions to the System. In the event the City experiences financial difficulties with respect to the System, it is not expected that the Renewal and Replacement Fund or any portion thereof will be available to pay debt service on the Refunding Bonds. Such monies will be invested without restriction as to yield and are not subject to rebate.

(e) Series 2013 A Bonds Costs of Issuance Fund. A Series 2013 A Bonds Costs of Issuance Fund is created under the Ordinance to be funded from proceeds of the Refunding Bonds in the amount of $81,750, to pay costs of issuance of the Refunding Bonds. Proceeds of the Refunding Bonds deposited in the Costs of Issuance Fund generally may be invested at an unrestricted yield for a period of thirteen (13) months from the date hereof, and, thereafter, at a yield not materially higher than the yield on the Refunding Bonds. For investments of amounts described in the preceding sentence, the term *"materially higher"* means one-thousandth of one percentage point (0.001%).

(f) Rebate Fund. The City has covenanted not to use moneys of any fund or account in connection with the Refunding Bonds in a manner which will cause the Refunding Bonds to be arbitrage bonds within the meaning of Section 148 of the Code. To that end, the Rebate Fund has been created under the Ordinance and will be funded to the extent required either from transfers from the other funds or accounts or from the City's general funds. The Paying Agent shall deposit into the Rebate Fund any payments received in accordance with this Tax and Non-Arbitrage Certificate for purposes of paying rebate to the United States Treasury Department and so identified. The amount required to be held in the Rebate Fund at any point in time is determined pursuant to the requirements of the Code, including particularly Section 148(f) of the Code and the Treasury Regulations promulgated thereunder. Moneys in the Rebate Fund are neither pledged to nor expected to be used to pay debt service on the Refunding Bonds.

(g) Series 2013 A Bonds Sinking Fund. The Series 2013 A Bonds Sinking Fund will be used primarily to achieve a proper matching of revenues and debt service within each bond year. To the extent the Series 2013 A Bonds Sinking Fund will be used to pay debt service on the Refunding Bonds, it is expected to be depleted at least once each bond year except for a reasonable carryover amount not to exceed the greater of (i) the earnings on investment of the moneys in these accounts for the immediately preceding bond year, or (ii) one-twelfth ($1/12^{th}$) of the debt service on the Refunding Bonds for the immediately preceding bond year. Amounts deposited in the Series 2013 A Bonds Sinking Fund will be expended to pay debt service on the

Refunding Bonds within thirteen (13) months from the date of deposit therein pursuant to the Ordinance. Therefore, the Series 2013 A Bonds Sinking Fund is expected to constitute a *"bona fide debt service fund"* within the meaning of the Treasury Regulations.

Amounts deposited into the Series 2013 A Bonds Sinking Fund for the purpose of paying current debt service on the Refunding Bonds may be invested at an unrestricted yield for a period not exceeding thirteen (13) months from the date of the first deposit of such amounts to such fund and, thereafter, at a yield not materially higher than the yield on the Refunding Bonds. For investments of amounts described in the preceding sentence, the term *"materially higher"* means one-thousandth of one percentage point (0.001%). As long as the Series 2013 A Bonds Sinking Fund qualifies as a bona fide debt service fund, amounts therein will not be subject to the arbitrage rebate requirements of Section 148(f) of the Code.

(h) Series 2013 A Bonds Debt Service Reserve Fund. $922,000 of the proceeds of the Refunding Bonds will be deposited in the Series 2013 A Bonds Debt Service Reserve Fund to secure the Refunding Bonds. The Underwriter has certified, in Exhibit A attached hereto, that the establishment and maintenance of the Series 2013 A Bonds Debt Service Reserve Fund is a vital factor in the marketing of the Refunding Bonds. The Series 2013 A Bonds Debt Service Reserve Fund does not exceed the least of (i) 10% of the proceeds of the Refunding Bonds, (ii) 125% of average annual debt service on the Refunding Bonds or (iii) maximum annual debt service on the Refunding Bonds. The Series 2013 A Bonds Debt Service Reserve Fund may be invested at an unrestricted yield throughout the term of the Refunding Bonds and is subject to rebate.

(i) Series 2013 A Bonds Redemption Account. The Series 2013 A Bonds Redemption Account is created under the Ordinance. In the event moneys are deposited into the Series 2013 A Bonds Redemption Account, to the extent they are not part of a "bona fide debt service fund" within the meaning of the Treasury Regulations, they will, to the extent the yield thereon exceeds the yield on the Refunding Bonds, be subject to rebate.

Section 2.6 No Replacement. Other than proceeds of the Refunding Bonds, neither the City nor any person related to it within the meaning of Section 147(a) of the Code (a *"Related Person"*) has on hand any funds which could legally and practically be used for the purposes for which the Refunding Bonds are being issued which are not pledged, budgeted, earmarked or otherwise necessary to be used for other purposes. Accordingly, no portion of the proceeds of the Refunding Bonds will be used (i) directly or indirectly to replace funds of the City or any Related Person that could be used for the purpose for which the Refunding Bonds are being issued, or (ii) to replace any proceeds of any prior issuance of obligations by the City or any Related Person.

Section 2.7 No Other Sinking or Pledged Funds. Except for the Series 2013 A Bonds Sinking Fund, no other funds or accounts have been or are expected to be established, and no moneys or property have been or are expected to be available or pledged (no matter where held or the source thereof) which are expected to be used or available to pay, directly or indirectly, principal or interest on the Refunding Bonds, or restricted so as to give reasonable assurance of their availability for such purposes.

Section 2.8 No Abusive Arbitrage Device. The City certifies, warrants and covenants that the Refunding Bonds are not and will not be part of a transaction or series of transactions that (i) attempts to circumvent the provisions of Section 148 of the Code and related Treasury Regulations, thereby enabling the City to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage, and (ii) overburdens the tax-exempt bond market in any manner, including, without limitation, issuing more bonds, issuing bonds earlier, or allowing them to remain outstanding longer than is otherwise reasonably necessary to accomplish the governmental purpose of the Refunding Bonds.

Section 2.9 Temporary Period and Transferred Proceeds. The City acknowledges that pursuant to Section 149(d)(3)(A)(iv)(II) of the Code, any temporary period under Section 148(c) of the Code for the proceeds of the Bonds to be Refunded will end on the date hereof, and thus the yield on such proceeds will be restricted to a yield not materially higher than the yield on the Bonds to be Refunded.

Proceeds of the Bonds to be Refunded will become transferred proceeds of the Refunding Bonds when proceeds of the Refunding Bonds discharge the Bonds to be Refunded on May 29, 2013. As of such date, proceeds of the Bonds to be Refunded which have been transferred to the Series 2002 Bonds Prepayment Fund will be used to redeem the Bonds to be Refunded, so that there will be no remaining unspent proceeds of the Bonds to be Refunded. Therefore, proceeds of the Bonds to be Refunded will not become transferred proceeds of the Refunding Bonds.

ARTICLE III

CALCULATION OF YIELD

Section 3.1 Yield. For purposes of this Tax and Non-Arbitrage Certificate, yield is calculated as set forth in Section 148(h) of the Code and Sections 1.148-4 and 1.148-5 of the Treasury Regulations. Thus, yield generally means that discount rate which, when used in computing the present value of all unconditionally payable payments of principal and interest with respect to an obligation and the cost of qualified guarantees (if any) paid and to be paid with respect to such obligation, produces an amount equal to the issue price of the obligation.

The City certifies, based upon representations of the Underwriters shown in Exhibit A hereto, that the aggregate issue price of the Refunding Bonds is $9,220,655.50, which represents the price at which the Refunding Bonds were sold to the public (excluding bond houses, brokers and other intermediaries) plus accrued interest, if any. For purposes hereof, yield shall be calculated on a 360-day year basis with interest compounded semiannually. The yield on the Refunding Bonds on an aggregate basis as computed by Crews & Associates, Inc., the underwriter of the Refunding Bonds, is 1.86612%.

ARTICLE IV

REBATE

Section 4.1 Undertakings. The City has covenanted to comply with certain requirements of the Code. The City covenants that it shall retain an arbitrage consultant to determine any rebate due with respect to the Bonds to be Refunded and any rebate or yield

reduction payments required to be made with respect to the Refunding Bonds. The City acknowledges that the United States Department of the Treasury has issued Treasury Regulations with respect to these undertakings, including the proper method for computing whether any rebate amount is due the United States under Section 148(f) of the Code (*i.e.,* Sections 1.148-0 through 1.148-11, 1.149(d)-1, 1.149(g)-1, 1.150-1 and 1.150-2 of the Treasury Regulations). The City covenants that it will undertake to determine (or have determined on its behalf) what is required with respect to the rebate provisions contained in Section 148(f) of the Code from time to time and will undertake to comply with any requirements that may be applicable to the Refunding Bonds. The City will undertake the methodology described in this Article IV of this Tax and Non-Arbitrage Certificate, except to the extent inconsistent with any requirements of present or future law, regulations or future guidance issued by the United States Treasury or if the City receives an opinion of Bond Counsel that another methodology is necessary or appropriate for purposes of calculating rebate on the Series 2013 A Bonds.

Section 4.2 Rebate Fund. A special fund designated the *"Rebate Fund"* has been continued pursuant to the Ordinance. The City shall keep the Rebate Fund separate and apart from all other funds and moneys held by it.

Section 4.3 Recordkeeping. Detailed records with respect to each and every Nonpurpose Investment attributable to Gross Proceeds (within the meaning of Section 1.148-1(b) of the Treasury Regulations) of the Refunding Bonds must be maintained by the City, including (i) purchase date, (ii) purchase price, (iii) any accrued interest paid, (iv) face amount, (v) coupon rate, (vi) frequency of interest payments, (vii) disposition price, (viii) any accrued interest received, (ix) disposition date, and (x) broker's fees. Such detailed record keeping is required for the calculation of the rebate amount (within the meaning of Section 1.148-3 of the Treasury Regulations) which, in part, will require a determination of the difference between the actual aggregate earnings of all Nonpurpose Investments and the amount of such earnings assuming a rate of return equal to the yield on the Refunding Bonds.

Section 4.4 Rebate Amount Calculation and Payment.

(a) The City represents, warrants and covenants that it will prepare or cause to be prepared a calculation of the rebate amount with respect to the Refunding Bonds consistent with the rules described in this Section 4.4. The City will prepare the calculation of the rebate amount (i) within fifty-five (55) days after the close of the fifth Bond Year and each fifth Bond Year thereafter so long as any Refunding Bonds remain unpaid, and (ii) within fifty-five (55) days after the first date on which there are no unpaid Refunding Bonds. Not later than fifty-five (55) days after the end of the fifth Bond Year and each fifth Bond Year thereafter so long as any Refunding Bond remains unpaid, and within fifty-five (55) days after the last Refunding Bond is paid, the City shall deposit an amount necessary to increase or decrease the sum held in the Rebate Fund to the rebate amount.

(b) For purposes of calculating the rebate amount (i) the aggregate amount earned with respect to a Nonpurpose Investment shall be determined by assuming that the Nonpurpose Investment was acquired for an amount equal to its value at the time it becomes a Nonpurpose Investment, and (ii) the aggregate amount earned with respect to any Nonpurpose Investment shall include any unrealized gain or loss with respect to the Nonpurpose Investment on the first

date when there are no unpaid Refunding Bonds or when the investment ceases to be a Nonpurpose Investment.

(c) The Paying Agent shall pay to the United States Treasury, pursuant to instructions from the City, out of designated funds (i) not later than sixty (60) days after the end of each fifth Bond Year, a payment equal to at least ninety percent (90%) of the rebate amount with respect to the Refunding Bonds, calculated as of the end of such fifth Bond Year, and (ii) not later than sixty (60) days after the first date when there are no unpaid Refunding Bonds, an amount equal to one hundred percent (100%) of the rebate amount (determined as of the first date when there are no unpaid Refunding Bonds) plus any actual or imputed earnings on such rebate amount, all as set forth in Sections 1.148-1 through 1.148-11 of the Treasury Regulations and as determined by or on behalf of the City.

(d) Each payment required to be made pursuant hereto and relating to the Refunding Bonds shall be filed with the Internal Revenue Service Center designated in the then-applicable Internal Revenue Service forms and instructions, on or before the date such payment is due and shall be accompanied by Internal Revenue Service Form 8038-T or successor form. The City must retain records of the calculations required by this Section 4.4 until three (3) years after the retirement of the last obligation of the Refunding Bonds.

Section 4.5 Valuation of Investments.

(a) General Rule. Except as otherwise provided in this Section 4.5, for all purposes of Section 148 of the Code, the value of an investment allocated to the Refunding Bonds (including a payment or receipt on the investment) on a date must be determined using one of the following valuation methods:

(i) Outstanding Principal Amount Method. A plain par investment (as defined in Section 1.148-1(b) of the Treasury Regulations) may be valued at its outstanding stated principal amount, plus any accrued unpaid interest on that date.

(ii) Present Value Method. An investment whose yield is fixed and determinable on the issue date (a *"fixed rate investment"*) may be valued at its present value on that date. Present value of an investment is computed under the economic accrual method, using the same compounding interval and financial conventions used to compute the yield on the Refunding Bonds (*i.e.,* 360-day year basis with interest compounded semiannually). The present value of an investment on a date is equal to the present value of all unconditionally payable receipts to be received from and payments to be paid for the investment after that date, using the yield on the investment as the discount rate.

(iii) Fair Market Value Method. An investment may be valued at its fair market value on that date. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the nonpurpose investment becomes binding (*i.e.,* the trade date rather than the settlement date). Except as otherwise provided in Subsections 4.5(e),

(f) and (g) hereof, an investment that is not of a type traded on an established securities market, within the meaning of Section 1273 of the Code, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(b) Mandatory Valuation of Certain Investments at Fair Market Value. Except as provided in Sections 4.5(c) and (d), an investment must be valued at fair market value on the date that it is first allocated to the Refunding Bonds or first ceases to be allocated to the Refunding Bonds as a consequence of a deemed acquisition or deemed disposition.

(c) Mandatory Valuation of Yield Restricted Investments at Present Value. Any yield restricted investment must be valued at present value.

(d) Transferred Proceeds Allocations, Universal Cap Allocations and Commingled Funds. Notwithstanding Section 4.5(b) hereof, an investment need not be valued at fair market value if it is allocated to the Refunding Bonds or ceases to be allocated to the Refunding Bonds as a result of the transferred proceeds allocation rule under Section 1.148-9(b) of the Treasury Regulations or the universal cap rule under Section 1.148-6(b)(2) of the Treasury Regulations. In addition, investments in a commingled fund (other than a bona fide debt service fund) need not be valued at fair market value unless it is a commingled fund described in Section 1.148-6(e)(5)(iii) of the Treasury Regulations.

(e) Certificates of Deposit. The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal will be treated as its fair market value on the purchase date if:

(i) the yield on the certificate of deposit is not less than the yield on reasonably comparable direct obligations of the United States; and

(ii) the yield on the certificate of deposit is not less than the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(f) Guaranteed Investment Contracts. The purchase price of a guaranteed investment contract will be treated as its fair market value on the purchase date if:

(i) the City has made (or had made on its behalf) a bona fide solicitation for a specified guaranteed investment contract and received at least three (3) bona fide bids from providers that have no material financial interest in the Refunding Bonds;

(ii) the City purchased (or had purchased on its behalf) the highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees);

(iii) the yield on the guaranteed investment contract (determined net of broker's fees) is not less than the yield then available from the provider on reasonably comparable guaranteed investment contract, if any, offered to other persons from a source of funds other than gross proceeds of tax-exempt bonds;

(iv) the determination of the terms of the guaranteed investment contract took into account as a significant factor the City's reasonably expected drawdown schedule for the amounts to be invested, exclusive of amounts deposited in debt service funds and reasonably required reserve or replacement funds;

(v) the terms of the guaranteed investment contract, including collateral security requirements, are reasonable; and

(vi) the provider of the guaranteed investment contract certified the administrative costs that it paid (or expects to pay) to third parties in connection with the guaranteed investment contract.

(g) United States Treasury Obligations. The fair market value of a United States Treasury obligation purchased directly from the United States Treasury is its purchase price.

Section 4.6 Segregation of Proceeds. In order to perform the calculations required by the Code, it is necessary to track separately all of the Gross Proceeds. To that end, the City hereby agrees to establish separate funds, accounts or subaccounts or take other accounting measures in order to account fully for all Gross Proceeds.

Section 4.7 Filing Requirements. The City shall file or cause to be filed such reports or other documents with the Internal Revenue Service as may be required by the Code from time to time (*e.g.,* Form 8038-G and Form 8038-T).

ARTICLE V

OTHER MATTERS

Section 5.1 Authority. The undersigned are authorized representatives of the City and are acting for and on behalf of the City in executing this Tax and Non-Arbitrage Certificate. To the best of the knowledge and belief of the undersigned representatives of the City, there are no other facts, estimates or circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable.

Section 5.2 Amendment and Supplementation.

(a) Notwithstanding any other provision herein, the parties hereby agree to amend, supplement or modify this Tax and Non-Arbitrage Certificate to the extent necessary to maintain the exclusion of interest on the Refunding Bonds from gross income for federal tax purposes as required pursuant to an opinion of Bond Counsel.

(b) Notwithstanding any other provision herein, if the parties request an amendment, supplementation or modification hereto, this Tax and Non-Arbitrage Certificate shall be so amended, supplemented or modified only if accompanied by an opinion of Bond Counsel.

Section 5.3 Severability. If any provision of this Tax and Non-Arbitrage Certificate (including all accompanying certificates) shall be invalid, illegal or unenforceable, the validity,

legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

Section 5.4 Multiple Counterparts. This Tax and Non-Arbitrage Certificate may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

Section 5.5 Survival of Defeasance. Notwithstanding anything in this Tax and Non-Arbitrage Certificate or any other provisions of the Ordinance to the contrary, the obligation to remit the rebate amount to the United States Department of the Treasury and to comply with all other requirements contained in this Tax and Non-Arbitrage Certificate shall survive the defeasance or payment in full of the Refunding Bonds.

Section 5.6 Permitted Changes; Opinion of Bond Counsel. The yield restrictions contained in Section 2.5 or any other restriction or covenant contained herein need not be observed or may be changed if the City receives an opinion of Bond Counsel to the effect that such noncompliance or change will not adversely affect the exclusion of interest on the Refunding Bonds for federal income tax purposes.

Section 5.7 Successors and Assigns. The terms, provisions, covenants and conditions of this Tax and Non-Arbitrage Certificate shall bind and inure to the benefit of the respective successors and assigns of the City.

Section 5.8 Headings. The headings of this Tax and Non-Arbitrage Certificate are inserted for convenience only and shall not be deemed to constitute a part of this Tax and Non-Arbitrage Certificate.

Section 5.9 Reliance by Bond Counsel. The City hereby acknowledges and agrees that the certifications, representations, and warranties set forth in this Tax and Non-Arbitrage Certificate may be relied upon by Steptoe & Johnson PLLC, Bond Counsel, in rendering its opinions with respect to the Refunding Bonds. To the best knowledge, information and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change any of the foregoing certifications. The representations in this Tax and Non-Arbitrage Certificate are made for the benefit of the purchasers of the Refunding Bonds and Steptoe & Johnson PLLC, Bond Counsel, and may be relied upon by the purchasers of the Refunding Bonds and said Bond Counsel in determining whether or not the Refunding Bonds constitute "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations.

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DATED as of this 26th day of April, 2013.

CITY OF CLARKSBURG
WEST VIRGINIA

By: _____
Its: Mayor

By: _____
Its: City Manager

EXHIBIT A

CERTIFICATE OF UNDERWRITER

See Transcript Document No. 31

EXHIBIT B

TAX COMPLIANCE POLICIES

Purpose

Governmental issuers of tax-exempt and tax-credit bonds must comply with certain federal tax rules pertaining to expenditure of proceeds for qualified costs, rate of expenditure, use of bond financed property, investment of proceeds in compliance with arbitrage rules, and retention of records. The following policies are intended to establish compliance by the City of Clarksburg, West Virginia (the *"Issuer"*), as the issuer, with these rules in connection with the issuance of the Issuer's Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "*Tax-Exempt Bonds*"). It is understood and agreed by the Issuer, and the Issuer has covenanted to take all actions necessary to maintain the Tax-Exempt Bonds as tax-exempt state and local bonds.

Tax Requirements Associated with Sale and Issuance of Bonds

Review and retention of tax documents related to the sale and issuance of Bonds will be supervised by the City Finance Director or his designee (the "*Oversight Officer*").

- Form 8038-G (tax exempt bonds) will be reviewed and filed not later than the 15th day of the 2nd calendar month following the quarter in which the bonds were issued. Filing of appropriate version or versions of Form 8038-G will be confirmed with bond counsel.

Expenditure of Proceeds for Governmental Costs

Expenditure of bond proceeds will be reviewed by the Oversight Officer.

- Bond proceeds will be disbursed pursuant to the Bond Ordinance, and will be a written order of an Authorized Officer, stating the date, amount and purpose of the disbursement.

- Requisitions must identify the financed property in conformity with the Tax and Non-Arbitrage Certificate executed by the Issuer at closing, including any certifications as to the character and average economic life of the bond-financed property.

- Requisitions for costs that were paid prior to the issuance of the bonds are, in general, limited to costs paid subsequent to, or not more than 60 days prior to, the date a "declaration of intent" to reimburse the costs was adopted by the City. If proceeds are used for reimbursement, a copy of the declaration will be obtained and included in the records for the Tax-Exempt Bonds, if not already part of the bond transcript.

- Requisitions will be in accordance with expectations to spend or commit 5% of net sale proceeds within 6 months, to spend 85% of net sale proceeds within 3 years, and to proceed with due diligence to complete the project and fully spend the net sale proceeds. Expected expenditure schedules, project timelines, and plans and specifications will be maintained to support expectations. Reasons for failure to meet the expected schedule will be documented and retained in the records for the Tax-Exempt Bonds.

- If the 18-month spending exception to rebate applies, expenditure of gross proceeds will be monitored against the following schedule for the arbitrage rebate exception for the issue, if applicable:

  15% within 6 months
  60% within 12 months
  100% within 18 months

- If the 2-year spending exception to rebate applies, expenditure of "available construction proceeds" will be monitored against the following schedule for the arbitrage rebate exception for construction issues if applicable:

  10% within 6 months
  45% within 12 months
  75% within 18 months
  100% within 24 months

Expenditure of Proceeds

In addition to the general review of expenditures described above, expenditure of proceeds of the Tax-Exempt Bonds will be reviewed by the Oversight Officer.

- Reserve funds cannot exceed the least of 10% of bond proceeds, maximum annual debt service, or 125% of average annual debt service. The initial funding of any reserve fund will be measured against this limit.

- Only a small portion (5%) of the proceeds of Tax-Exempt Bonds can be used for operating expenses or other "working capital" costs. Requisitions for costs of the Project will accordingly be monitored to confirm that they are for capital costs of the Project.

- Investment earnings on sale proceeds of the Tax-Exempt Bonds will be tracked and will be requisitioned only for appropriate expenditures.

Use of Bond-Financed Property

Use of bond-financed property when completed and placed in service will be reviewed by the Oversight Officer.

- Average nonexempt use of bond-financed property over the life of the issue cannot exceed 10% of the proceeds.

- Agreements with business users or non-profit organizations for lease or management or services contracts, sponsored research, naming rights or any other potential nonexempt use of bond-financed property will be reviewed prior to execution of any contract to determine if property subject to the Bond Ordinance is bond-financed.

- Agreements with business users or other non-profit organizations for lease or management or services contracts or other private business use involving bond-financed property will be tracked and aggregated with other private business uses for compliance with the 10% limit, as set forth in the Tax and Non-Arbitrage Certificate.

- No item of bond-financed property will be sold or transferred to a nonexempt party without advance arrangement of a "remedial action" under the applicable Income Tax Regulations.

Investments and IRS Filings

Investment of bond proceeds in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Oversight Officer.

- Guaranteed investment contracts ("*GIC*") will be purchased only using the three-bid "safe harbor" of applicable Income Tax Regulations, in compliance with fee limitations on GIC brokers in the Income Tax Regulations.

- Other investments will be purchased only in market transactions.

- Calculations of rebate liability will be performed annually by outside consultants.

- Rebate payments will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance and (b) the final retirement of the issue. Compliance with rebate requirements will be reported to the bond trustee and the issuer.

- Identify date for first rebate payment at time of issuance. Enter in records for the issue.

Records

Management and retention of records related to tax-exempt bond issues will be supervised by the Oversight Officer.

- Records will be retained for the life of the bonds plus any refunding bonds plus three years. Records may be in the form of documents or electronic copies of

documents, appropriately indexed to specific bond issues and compliance functions.

- Retainable records pertaining to the Tax-Exempt Bonds include transcript of documents executed in connection with the issuance of the bonds (including authorizing resolutions, Bond Ordinance, Form 8038-G, and Tax and Non-Arbitrage Certificate) and any amedments, and copies of rebate calculations and records of payments, including Forms 8038-T.

- Retainable records pertaining to expenditures of bond proceeds include requisitions, accounting statements and final allocation of proceeds.

- Retainable records pertaining to use of property include all agreements reviewed for nonexempt use and any reviewed documents relating to unrelated business activity.

- Retainable records pertaining to investments include GIC documents under the Income Tax Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

Overall Responsibility

Overall administration and coordination of this policy is the responsibility of the Oversight Officer.

CITY OF CLARKSBURG, WEST VIRGINIA

_____

By: City Manager

_____

By: Mayor

Date: April 26, 2013

Perry & Associates

Certified Public Accountants, A.C.

www.perrycpas.com

MARIETTA
428 Second Street
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(740) 373-0056
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(304) 428-5587 Fax

ST. CLAIRSVILLE
121 E. Main Street
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(740) 695-5775 Fax

April 26, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

West Virginia Water Development Authority
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges as set forth in the water rate ordinance of the Clarksburg Water Board (the "Board"), enacted July 27, 2010, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by the Board, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the water system of the Issuer (the "System"), will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Water Refunding Revenue Bonds, Series 2013 A (the "Bonds"), to be issued on the date hereof, and all other obligations secured by or payable from the revenues of the System, specifically including the Issuer's: (1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850 (the "Series 2001 A Bonds"); and (2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764 (the "Series 2004 A Bonds"), (collectively, the "Prior Bonds").

It is our further opinion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of the Bonds, plus the estimated average increased annual Net Revenues to be received in each of the three succeeding years after the date of issuance of the Bonds, will not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the Bonds and the Prior Bonds.

Respectfully Submitted,

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

REGISTRAR'S CERTIFICATE

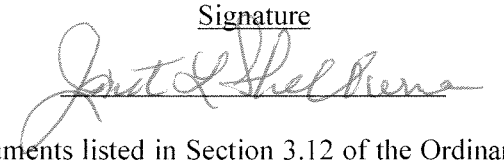
WesBanco Bank, Inc., Wheeling, West Virginia (the "Bank"), as Registrar for the above-captioned Bonds (collectively, the "Bonds"), hereby certifies this 26th day of April, 2013, as follows, all capitalized terms used herein to have the same meanings set forth in the Ordinance of the City of Clarksburg (the "Issuer") enacted March 7, 2013, as supplemented by a Supplemental Parameters Resolution adopted March 21, 2013 (collectively the "Ordinance"):

1. The Bank is a state banking corporation duly organized, validly existing, and in good standing under the laws of the State of West Virginia, may lawfully conduct business in West Virginia, and is lawfully empowered, pursuant to such laws, to accept the duties and obligations contemplated and as provided under the Ordinance and to serve in the capacity of Registrar under the Ordinance.

2. The Bank has duly authorized, by all necessary action, the authentication of the Bonds and the execution and delivery of this Certificate and the acceptance of all duties of Registrar under the Ordinance, and any and all other documents and agreements as may be required to be executed, delivered and received by the Bank in order to carry out, give effect to, and consummate the transactions contemplated thereby.

3. The person indicated in paragraph 4 below was at the time of the authentication of the Bonds, and is now, a duly elected, qualified and acting incumbent in his or her office; and, pursuant to authorization from the Board of Directors of the Bank such person, in his or her official capacity, was and is authorized to authenticate the Bonds for and on behalf of the Bank.

4. Appearing opposite the name and title of the person indicated below is a true and correct specimen of his or her signature.

Name	Title	Signature
Janet L. Shelburne	Vice President	

5. There have been filed with the Bank all of the documents listed in Section 3.12 of the Ordinance and the Bonds have been duly authenticated and delivered to the Original Purchaser, and proceeds of the Bonds have been deposited as required by the Ordinance.

6. Attached hereto as EXHIBIT A is a correct listing of the Bond numbers, CUSIP numbers, maturity dates, principal amounts, interest rates and yields of the Bonds.

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

WESBANCO BANK, INC.

By: _____
Its: Authorized Officer

155510.00031

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

CERTIFICATE OF UNDERWRITER

The undersigned Robert Steptoe, Director, Capital Markets Group of CREWS & ASSOCIATES, INC. (the "Underwriter"), which is purchasing the entirety of the above-captioned bonds in the aggregate principal amount of $9,220,000, dated April 26, 2013 (the "Bonds") of the City of Clarksburg (the "Issuer"), hereby certifies this 26th day of April, 2013, that:

1. The Underwriter and the Issuer on April 9, 2013 (the "Sale Date") executed a Bond Purchase Agreement for the Bonds (the "Bond Purchase Agreement"). The Bond Purchase Agreement has not been modified since the execution thereof on the Sale Date. Capitalized terms used herein shall have the meanings set forth in the Bond Purchase Agreement.

2. The Underwriter certifies that the initial offering price of the Bonds to the public (excluding bond houses, brokers and similar persons or organizations acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Bonds of that maturity (i.e., at least ten percent (10%) of such maturity) were reasonably expected to be sold as of the Sale Date is as follows for each of the maturities listed below:

Maturity Date	Principal Amount	Initial Offering Price	Dollar Price
9/01/2013	$475,000	100.138%	$475,655.50
9/01/2014	$1,520,000	100%	$1,520,000
9/01/2015	$1,535,000	100%	$1,535,000
9/01/2016	$1,560,000	100%	$1,560,000
9/01/2017	$1,585,000	100%	$1,585,000
9/01/2018	$1,620,000	100%	$1,620,000
9/01/2019	$925,000	100%	$925,000
		Total	$9,220,655.50
		Accrued Interest	-0-
TOTAL			$9,220,655.50

3. The Underwriter hereby confirms that all of the Bonds have been the subject of a bona fide initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of Underwriter, placement agents or wholesalers) at prices equal to those set forth in the Bond Purchase Agreement. Based upon the Underwriter's assessment of then prevailing market conditions, the purchase price of each Bond is not less than the fair market value of each Bond as of the Sale Date.

4. The Underwriter hereby confirms that the Reserve Fund for the Bonds in

the amount of $922,000 established under the Ordinance for the Bonds is reasonable, necessary and required for the marketability of the Bonds.

5. The Underwriter hereby confirms that the issue price of the Bonds, calculated in accordance with Treas. Regs. Section 1.148-1(b) is $9,220,655.50.

6. The Underwriter hereby confirms that the yield on the Bonds, calculated in accordance with Treasury Regulations Section 1.148-4 is 1.866125%.

7. The Underwriter hereby confirms that the weighted average maturity of the Bonds, based on the issue price of the Bonds from their date of issue (and not on the basis of the principal amount of the Bonds from their dated date) is 3.521 years.

8. The Underwriter hereby confirms that 10% of the principal amount of the Bonds is equal to $922,000 and that such amount is the least of the maximum amount of principal and interest payable on the Bonds in any year in the amount $1,674,000 and 125% of the average annual debt service on the Bonds payable in any year during the term of the Bonds.

9. The Bonds are issued as fixed-rate bonds.

10. The Underwriter has not and will not receive any compensation from the proceeds of the sale of the Bonds, including investment earnings thereon, in excess of its underwriter's discount in the amount of $230,500.

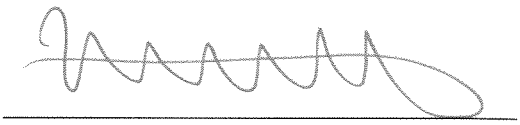
11. The terms used herein have the same meaning given them in Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations applicable thereunder or in the Tax and Non-Arbitrage Certificate for the Bonds.

12. This certificate may be relied upon by the Issuer with respect to the Tax and Non-Arbitrage Certificate relating to the Bonds and by Steptoe & Johnson PLLC in rendering its opinions with respect to the Bonds.

[Remainder of Page Intentionally Blank]

Dated the day and year first written above.

CREWS & ASSOCIATES, INC.

By: 

Robert Steptoe
Its: Director

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The City deems this Preliminary Official Statement to be final for the purposes of the Securities and Exchange Commission Rule 15c2-12(b)(1), except for certain information on the cover page hereof and certain pages herein which have been omitted in accordance with said Rule and which will be supplied in the final Official Statement.

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 2, 2013

NEW ISSUE-FULL BOOK ENTRY
TAX-EXEMPT

In the opinion of Steptoe & Johnson PLLC, Bond Counsel, under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest (including any original issue discount properly allocable to owners of the Series 2013 A Bonds) on the Series 2013 A Bonds (i) is excludable from gross income of the owners thereof for Federal income tax purposes, assuming compliance with certain provisions described herein pertaining to the Internal Revenue Code of 1986, as amended, and (ii) is not a specific item of tax preference, under Section 57(a)5 of the Code, in computing the federal alternative minimum tax imposed on individuals and corporations, and (iii) under the laws of the State of West Virginia, the Series 2013 A Bonds and the income therefrom is exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes (see "TAX MATTERS" herein).

CITY OF CLARKSBURG (WEST VIRGINIA)
$9,200,000*
WATER REFUNDING REVENUE BONDS, SERIES 2013 A (TAX-EXEMPT)

Dated: Date of Delivery

Due: September 1, as shown below

The City of Clarksburg's (the "City") Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds") are issuable only as fully registered bonds without coupons in denominations of $5,000 and integral multiples thereof for any year of maturity. All of the Series 2013 A Bonds initially will be maintained under a book-entry system under which The Depository Trust Company, New York, New York ("DTC"), will act as securities depository. Purchases of the Series 2013 A Bonds will be in book-entry form only. Semiannual interest on the Series 2013 A Bonds is payable beginning September 1, 2013, and each March 1 and September 1 thereafter for the term of the Series 2013 A Bonds. So long as the Series 2013 A Bonds are maintained under a book-entry system, payments of the principal of, premium, if any, and interest on the Series 2013 A Bonds will be made when due by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent, to DTC in accordance with the Ordinance and any Supplemental Resolutions, and the Paying Agent will have no obligation to make any payments to any beneficial owner of any Series 2013 A Bonds. See "THE SERIES 2013 A BONDS" herein and "APPENDIX G – BOOK-ENTRY ONLY SYSTEM."

The proceeds of the Series 2013 A Bonds shall be used, together with other available funds, (i) to finance the costs of currently refunding the City's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 of which $10,515,000 is outstanding (the "Series 2002 Bonds"); (ii) to fund a reserve account for the Series 2013 A Bonds; and (iii) to pay costs of issuance of the Series 2013 A Bonds and related costs.

The Series 2013 A Bonds are payable from and secured by the Gross Revenues derived from the existing public waterworks system of the City and any extensions, improvements and betterments thereto on parity with the outstanding Prior Bonds, as herein defined, and from the funds on deposit in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein with respect to the Series 2013 A Bonds, all as more fully described herein. The Series 2013 A Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the principal of, premium, if any, and interest on the Series 2013 A Bonds, except from the Gross Revenues and such respective funds on deposit with the Municipal Bond Commission. No Owner or Owners of the Series 2013 A Bonds issued shall ever have the right to compel the exercise of the taxing power of the City to pay the Series 2013 A Bonds or the interest thereon.

The City has designated the Bonds as "qualified tax-exempt obligations," therefore, the Bonds are treated as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3)(B) of the code. See "TAX MATTERS" for more detail regarding the opinion Bond Counsel gives regarding such designation.

The Series 2013 A Bonds are not subject to redemption prior to maturity.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Series 2013 A Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale, to withdrawal or modification of the offering without notice and to the unqualified approval of legality by Steptoe & Johnson PLLC, Charleston, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the City by Gregory A. Morgan, Esquire, of Young, Morgan & Cann, PLLC Clarksburg, West Virginia, as City Attorney, and for the Clarksburg Water Board by Kay Casto & Chaney, PLLC, Morgantown, West Virginia, Counsel to the Clarksburg Water Board. Jackson Kelly PLLC, Charleston, West Virginia, as counsel to the Underwriter, will pass upon certain legal matters for the Underwriter. It is expected that the Series 2013 A Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York, on or about April __, 2013.

Dated: April __, 2013

Crews&Associates
Member First Security Bancorp

* Preliminary, subject to change.

$9,200,000*

MATURITIES, AMOUNTS, INTEREST RATES, PRICES, YIELDS AND CUSIPS**

$__,___,000* Series 2013 A Serial Bonds

Maturity (September 1)	Amount	Interest Rate	Price	Yield	CUSIP
2013	$*	%	%	%	182072___
2014	$*	%	%	%	182072___
2015	$*	%	%	%	182072___
2016	$*	%	%	%	182072___
2017	$*	%	%	%	182072___
2018	$*	%	%	%	182072___
2019	$*	%	%	%	182072___

* Preliminary, subject to change.

** CUSIP numbers have been assigned by an independent company not affiliated with the City and are included on this cover page solely for the convenience of the Owners of the Bonds only at the time of issuance of the Bonds. Neither the Underwriter nor the City makes any representation with respect to the accuracy of such CUSIP numbers as indicated in the above table or undertakes any responsibility for the selection of the CUSIP numbers or their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds.

CITY OF CLARKSBURG, WEST VIRGINIA

Patsy Trecost, II, Mayor
Katherine Goings, Vice Mayor

CITY COUNCIL

Katherine Goings	Robert Caplan	Margaret A. Bailey
Gary Bowden	Sam Lopez	Mary Mayer

CITY MANAGER
Martin Howe

CITY CLERK
Annette Wright

CITY ATTORNEY
Gregory A. Morgan, Esq.

CLARKSBURG WATER BOARD

Albert N. Cox, II	President
John P. Keeley	Board Member
Charles O. Thayer	Board Member

WATER BOARD GENERAL MANAGER
Richard D. Welch

WATER BOARD DIRECTOR OF FINANCE
Linda Hughes

WATER BOARD GENERAL COUNSEL
Kay Casto & Chaney, PLLC
Morgantown, West Virginia

BOND COUNSEL
Steptoe & Johnson PLLC
Charleston, West Virginia

REGISTRAR
WesBanco Bank, Inc.
Wheeling, West Virginia

PAYING AGENT
West Virginia Municipal Bond Commission
Charleston, West Virginia

UNDERWRITER
Crews & Associates, Inc.
Morgantown, West Virginia

UNDERWRITER'S COUNSEL
Jackson Kelly PLLC
Charleston, West Virginia

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2013 A Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the City of Clarksburg, West Virginia, or the Underwriter to give any information or to make any representations, other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. The information set forth herein has been obtained from the City of Clarksburg, the Clarksburg Water Board and other sources, which are believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriter. The information and any expression of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the City of Clarksburg, West Virginia, as it relates to the System, since the date hereof. This Official Statement is submitted in connection with the sale of securities referred to herein, and may not be reproduced or used, in whole or in part, for any other purposes.

The information contained in this Official Statement has been obtained from the City and other sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by any of the foregoing. The presentation of such information is intended to show recent historic information and is not intended to indicate future or continuing trends. No representation is made that the past experience, as shown by such financial and other information, will necessarily continue or be repeated in the future. This Official Statement contains, in part, estimates and matters of opinion, whether or not expressly stated to be such, which are not intended as statements or representations of fact or certainty, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City.

The Series 2013 A Bonds shall not be or constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, and from the funds on deposit in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein with respect to the Series 2013 A Bonds and the unexpended proceeds of the Series 2013 A Bonds, with respect to the Series 2013 A Bonds all as herein provided. No Holder or Holders of the Series 2013 A Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the City to pay the Series 2013 A Bonds or the interest thereon.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimated," "forecasted," "intended," "expected," "anticipated," "projected" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts

and actual results, and those differences may be material. For a discussion of certain of such risks and possible variations in results, see the information under "INVESTMENT CONSIDERATIONS."

You should make your own decision whether this offering meets your investment objectives and risk tolerance level. No federal or state securities commission has approved, disapproved, endorsed or recommend this offering. No independent person has confirmed the accuracy or truthfulness of this disclosure, nor whether it is complete.

The Ordinance has not been qualified under the Trust Indenture Act of 1939, as amended because of available exemptions therefrom.

The following sentence has been provided by the Underwriter for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The Series 2013 A Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency has determined or confirmed the accuracy of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2013 A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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OFFICIAL STATEMENT

$9,200,000*

CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS, SERIES 2013 A (TAX-EXEMPT)

INTRODUCTION

This Official Statement, including the cover page and appendices, is provided for the purpose of setting forth certain information concerning the City of Clarksburg, West Virginia (the "City"), the Clarksburg Water Board (the "Board"), the City's public waterworks system which is operated on behalf of the City by the Board as hereinafter described in "APPENDIX B – THE SYSTEM" (the "System"), and the City's $9,200,000* in aggregate principal amount of Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds"). The Series 2013 A Bonds are being issued pursuant to the Constitution and laws of the State of West Virginia (the "State"), specifically Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act'), and an Ordinance enacted by the City Council of the City on March 7, 2013 (the "Original Ordinance"), as supplemented by a Supplemental Parameters Resolution adopted by the City Council of the City on March 21, 2013 (the "Supplemental Resolution" and together with the Original Ordinance, the "Ordinance"), and a Certificate of Determinations, signed by the Mayor and City Manager of the City, dated _____, 2013. See "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

The proceeds of the Series 2013 A Bonds will be used, together with other available funds, as follows: (i) to finance the costs of currently refunding the City's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 of which $10,515,000 is outstanding (the "Series 2002 Bonds"); (ii) to fund a reserve account for the Series 2013 A Bonds; and (iii) to pay costs of issuance of the Series 2013 A Bonds and related costs. The City expects to call the Series 2002 Bonds on or about _____, 2013.

There are outstanding obligations (and the December 31, 2012 balances) of the City which will rank on a parity with the Series 2013 A Bonds as to liens, pledge, source of and security for payment from the Gross Revenues derived from the System (both as hereinafter defined), as follows:

(1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850, and outstanding as of December 31, 2012 in the principal amount of $1,220,955 (the "Series 2001 A Bonds"); and

(2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764, and outstanding as of December 31, 2012 in the principal amount of $1,341,707 (the "Series 2004 A Bonds").

* Preliminary, subject to change.

The Series 2001 A Bonds and the Series 2004 A Bonds are hereinafter collectively called the "Prior Bonds." The ordinances which authorized the issuance of the Prior Bonds are herein collectively referred to as the "Prior Ordinances."

The Series 2013 A Bonds are payable from and secured by the Gross Revenues derived from the System on parity with the Prior Bonds and from the funds on deposit in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein. The Series 2013 A Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the Series 2013 A Bonds or premium, if any, or the interest thereon except from the sources provided above. See "SECURITY FOR THE SERIES 2013 A BONDS."

The Board operates and maintains the System and pursuant to its charter sets rates for the System. The Board has covenanted and agreed to fix and establish, in a manner and form required by law, rates and charges for the use of the System and the services rendered thereby sufficient (together with other revenues of the System) (i) to provide for all Operating Expenses of the System, and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year to pay the principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. The City has covenanted to take all actions necessary to facilitate this covenant. See "SECURITY FOR THE SERIES 2013 A BONDS – Rate Covenant," and "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

The Series 2013 A Bonds will be dated, will mature, will bear interest and will be subject to redemption prior to maturity as more fully described on the cover page and under the heading "THE SERIES 2013 A BONDS" herein. The Series 2013 A Bonds initially will be maintained under a book-entry system. So long as the Series 2013 A Bonds are maintained under a book-entry system, the manner of payment, the denominations, the transfer and exchange of ownership and the method of providing notice of redemption to the owners of the Series 2013 A Bonds shall be determined as described in "APPENDIX G – BOOK-ENTRY ONLY SYSTEM." If the book-entry system is discontinued, principal of, interest, and premium, if any, on the Series 2013 A Bonds will be payable by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (the "Bond Commission" or "Paying Agent"), to the owners thereof at the addresses appearing in the books kept by WesBanco Bank, Inc., Wheeling, West Virginia, as bond registrar (the "Registrar"). For further information describing the method of payment and other matters in the event the book-entry system is discontinued, see "THE SERIES 2013 A BONDS" herein.

For a description of the exclusion of interest on the Series 2013 A Bonds from gross income for federal and state income tax purposes, see "TAX MATTERS" herein.

At the request of the Board, the City may issue additional bonds on parity with the Prior Bonds and with the Series 2013 A Bonds for the purposes of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, of refunding all or a portion of the Series 2013 A Bonds or any parity bonds issued pursuant to the Ordinance and the Prior Ordinances, or refunding the Prior Bonds, of paying claims which may exist against the revenues or facilities of the System, or of all such purposes, subject in each case to certain tests and conditions provided for by the Ordinance. See "SECURITY FOR THE

SERIES 2013 A BONDS – ADDITIONAL PARITY BONDS" and "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Brief descriptions of the Series 2013 A Bonds, the System, the City, the Board and certain provisions of the Ordinance and the Act are set forth in this Official Statement, as well as other information contained in the appendices hereto. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Ordinance, provisions of the Act and other applicable laws of the State are qualified in their entirety by reference to each such document or law. References herein to the Series 2013 A Bonds are qualified in their entirety by reference to the form thereof included in the Ordinance and the information with respect thereto included in the aforesaid documents. Capitalized terms used and not otherwise defined in this Official Statement shall have the respective meanings given them in the Ordinance. Copies of the Ordinance and other applicable documents may be obtained from the City or, during the period of offering the Series 2013 A Bonds, from the Underwriter.

FINANCING PLAN

The proceeds of the Series 2013 A Bonds will be used, together with other available funds, as follows: (i) to finance the costs of currently refunding the City's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 of which as of December 31, 2012, $10,515,000 is outstanding (the "Series 2002 Bonds"); (ii) to fund the Series 2013 A Bonds Reserve Account; and (iii) to pay costs of issuance of the Series 2013 A Bonds and related costs. The City expects to call the Series 2002 Bonds for redemption on or about _____, 2013.

Series 2013 A Bonds

Sources and Uses of Funds

Sources of Funds:	
Principal Amount of Series 2013 A Bonds	$_____*
[Net Original Issue Premium]	$
Transfer from Series 2002 Bonds DSR Funds	$_____
Transfer from Series 2002 Bonds Debt Service Funds	$_____
Total Sources	$
Uses of Funds:	
Deposit to Prepayment Fund for Current Refunding	$
Deposit to Series 2013 A Bonds Reserve Account	$
Costs of Issuance (1)	$
Total Uses	$

(1) Includes legal and financing fees, bond counsel fees, Underwriter's discount and Underwriter's counsel fee, rounding, registrar's fee, and other miscellaneous expenses relating to the issuance of the Series 2013 A Bonds.

* Preliminary, subject to change.

THE SERIES 2013 A BONDS

General

Series 2013 A Bonds

The Series 2013 A Bonds shall be dated the date of delivery, and shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 A Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 A Bonds shall be in default, Series 2013 A Bonds issued in exchange for Series 2013 A Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 A Bonds surrendered. The Series 2013 A Bonds will bear interest from their date, payable semiannually on each March 1 and September 1, commencing September 1, 2013, upon original issuance, at the rates per annum and will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. Interest accruing on the Series 2013 A Bonds shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, to the Registered Owner as of the applicable Record Date (each February 15 and August 15) or, in the event of a default in the payment of the Series 2013 A Bonds, that special record date to be fixed by the Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by the Registrar, or at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender for payment at the office of the Paying Agent, in Charleston, West Virginia.

The Series 2013 A Bonds will be issued as fully registered bonds in denominations of $5,000 or integral multiples thereof for any year of maturity. The Series 2013 A Bonds initially shall be maintained under a book-entry system; Beneficial Owners shall have no right to receive physical possession of the Series 2013 A Bonds and payments of principal of, redemption price if any, and interest on the Series 2013 A Bonds will be made as described in "APPENDIX G – BOOK-ENTRY ONLY SYSTEM." If the book-entry system is discontinued, interest on the Series 2013 A Bonds will be payable by check or draft made payable and mailed to the owners thereof at the addresses appearing in the books kept by the Registrar as of the 15th day of the month preceding such interest payment date (the "Record Date"). If the book-entry system is discontinued, principal of and premium, if any, on the Series 2013 A Bonds will be payable to the owner thereof upon surrender thereof at the office of the Paying Agent.

Redemption

The Series 2013 A Bonds are not subject to redemption prior to their stated maturity.

SECURITY FOR THE SERIES 2013 A BONDS

The Series 2013 A Bonds are special obligations of the City and are payable as to principal, premium, if any, and interest solely from the sources described below. The City is under no obligation to pay the Series 2013 A Bonds except from said sources.

Sources of Payment

The payment of the debt service on the Series 2013 A Bonds shall be secured forthwith equally and ratably by a first lien on and pledge of the Gross Revenues derived from the operation of the System on parity with each other and the Prior Bonds. The payment of the debt service on the Series 2013 A Bonds is also secured by the funds on deposit in the Series 2013 A Bonds Sinking Fund, including the Series 2013 A Bonds Reserve Account therein. See "APPENDIX H – ANNUAL DEBT SERVICE FOR SERIES 2013 A BONDS" for more information. The Gross Revenues derived from the System are irrevocably pledged to the payment of the principal of and interest on the Prior Bonds and the Series 2013 A Bonds as the same become due and for the other purposes provided in the Ordinance. The City and the Board have covenanted that the Gross Revenues shall be sufficient (1) to pay the principal of and interest on the Prior Bonds, (2) to make the payments into the Series 2013 A Bonds Sinking Fund, (3) to make the payments into the Series 2013 A Bonds Reserve Account and the Prior Bonds Reserve Accounts, and (4) to make all other payments provided for in the Ordinance. See "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Rate Covenant

The Board has covenanted and agreed that rates and charges for the use of the System, will be sufficient (together with other revenues of the System) (i) to provide for all Operating Expenses of the System, and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year to pay the principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. The Board is required to commence enactment of such ordinances as may be required to increase such rates and charges within thirty (30) days following a determination by the Independent Accountant that less than the above required coverage exists or in the event that the annual audit report shows that less than the above-required coverage exists. The City has covenanted to take all actions necessary to facilitate this covenant. See "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Enforcement of Collections

The City and the Board covenant to diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and to take all steps, actions and proceedings for the enforcement and collection of such fees, rentals and 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 (the "Commission") or other laws of the State. The City and the Board covenant and agree that they will, subject to the laws of the State and regulations of the Commission, discontinue services to all delinquent users of services and facilities of the System, until such delinquent amounts, including penalties and reconnect fees, have been fully paid, or a payment agreement in compliance with the

Commission regulations has been entered. See "APPENDIX B - THE SYSTEM" and "APPENDIX F - FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION".

Series 2013 A Bonds Reserve Account

The Series 2013 A Bonds Reserve Account will be fully funded at closing in the amount of the reserve requirement for the Series 2013 A Bonds. In the event funds in the Series 2013 A Bonds Sinking Fund are insufficient to pay the principal of and/or interest on the Series 2013 A Bonds, the Bond Commission shall withdraw from the Series 2013 A Bonds Reserve Account and transfer to the Series 2013 A Bonds Sinking Fund sufficient amounts to make payments of principal of and/or interest on the Series 2013 A Bonds as the same become due from cash on deposit in the Series 2013 A Bonds Reserve Account.

In the event of a transfer from the Series 2013 A Bonds Reserve Account to the Series 2013 A Bonds Sinking Fund as aforesaid, the City shall restore the balance to the Series 2013 A Bonds Reserve Account in an amount equal to the Series 2013 A Bonds Reserve Requirement by making not less than 12 equal monthly payments. Any deficiencies in the Series 2013 A Bonds Reserve Account or any Reserve Account required for the Prior Bonds (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) shall be promptly eliminated with monies from the Renewal and Replacement Fund. The City shall restore any withdrawals from the Series 2013 A Bonds Reserve Account which have the effect of reducing the assets therein below the Series 2013 A Bonds Reserve Requirement, from the first Gross Revenues available after all required payments have been made in full in the order set forth in the Ordinance. See "APPENDIX F—FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Application of Revenues

The entire Gross Revenues derived from the operation of the System shall be deposited by the Board on behalf of the City in the Revenue Fund and shall be disposed of only in the following manner and order of priority:

(1) first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the interest on the Prior Bonds; and (ii) commencing 7 months prior to the first interest payment date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2013 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 2013 A Bonds Sinking Fund and the next ensuing semiannual interest payment date is more or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; and provided further that, the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2013 A Bonds Sinking Fund shall be reduced by the amount of accrued interest on the Series 2013 A Bonds deposited therein, and subsequent amounts required to be transferred from

the Revenue Fund and deposited in the Series 2013 A Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund;

(2) next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the principal of the Prior Bonds; and (ii) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund and in the Series 2013 A Bonds Redemption Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2013 A Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2013 A Bonds on the next ensuing principal payment date or mandatory Redemption Date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next ensuing principal payment date or mandatory Redemption Date is more or less than 13 months (or 7 months if the Series 2013 A Bonds mature semiannually rather than annually), then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund and not previously credited pursuant to the preceding clause;

(3) next, each month, transfer from the Revenue Fund to the Operation and Maintenance Fund an amount sufficient to pay all Operating Expenses of the System;

(4) next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the respective Reserve Accounts of the Prior Bonds the amounts required by the Prior Ordinances; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2013 A Bonds, if not fully funded upon issuance of the Series 2013 A bonds, for deposit in the Series 2013 A Bonds Reserve Account, an amount equal to $1/120^{th}$ of the Series 2013 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2013 A Bonds Reserve Requirement, and thereafter the City shall deposit an amount sufficient to remedy any decrease in value of the Series 2013 A Bonds Reserve Account below the Series 2013 A Bonds Reserve Requirement or any withdrawal from the Series 2013 A Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2013 A Bonds Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2013 A Bonds Reserve Account is less than the Series 2013 A Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2013 A Bonds Reserve Account for deposit into the Series 2013 A Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefore, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2013 A Bonds Reserve Account to an amount equal to the Series 2013 A Bonds Reserve Requirement to the full extent that such Gross Revenues are available; provided however, that if the shortfall in the Series 2013 A Bonds Reserve Account is due to a decrease in value of investments therein, such shortfall shall be replenished by not less than 6 equal monthly payments, and if such

shortfall is due to a withdrawal from the Series 2013 A Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2013 A Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Series 2013 A Bonds Reserve Requirement;

(5) next, on the first day of each month, transfer from the monies remaining in the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund (as previously set forth in the Prior Ordinances and not in addition thereto), a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account;

(6) if on any monthly payment date the revenues of the System are insufficient to make the required deposits in any of the funds and accounts as hereinabove provided, the deficiency shall be made up on the next ensuing payment dates by payments in addition to the payments which are otherwise required to be made into the funds on such ensuing payment dates; and

(7) next, each month, after making the above required transfers of moneys from the Revenue Fund, apply any remaining revenues ("Surplus Revenues") to the payment of debt service on any other subordinate Bonds, notes, certificates or other obligations of the System.

Principal and interest payments, and any payments made for the purpose of funding the Reserve Accounts, shall be made on a parity basis and pro-rata, with respect to the Prior Bonds, the Series 2013 A Bonds and any parity Bonds hereinafter issued, in accordance with the respective principal amounts of each such series of Bonds then Outstanding, if less than the full amount required hereby.

Any Surplus Revenues then remaining in the Revenue Fund may be used for any lawful purpose of the System. See "APPENDIX F –FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Additional Parity Bonds

So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no Additional Parity Bonds, as defined in the Ordinance, payable out of the revenues of the System shall be issued after the issuance of the Series 2013 A Bonds pursuant to the Ordinance, except under the conditions and in the manner therein provided.

No such Additional Parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant to the Ordinance, or refunding the Prior Bonds, to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

So long as the Series 2013 A Bonds are outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues actually derived

from the System during any 12 consecutive months in the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the two Fiscal Years following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds (as defined in the Ordinance) then Outstanding;

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

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

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with the time for all available appeals having expired (without successful appeal) prior to the date of delivery of such Additional Parity Bonds whether or not such approved rates are being charged and collected by the Board.

The term "Additional Parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Bonds, and all the covenants and other provisions of the Ordinance (except as to details of such Additional Parity Bonds not inconsistent herewith) shall be for the equal benefit, protection and security of the Owners of the Series 2013 A Bonds, the Prior Bonds and the Owners of any Additional Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Gross Revenues of the System, and their source of and security for payment from said Gross Revenues, without preference of any Bond over any other. The City shall comply fully with all the increased payments into the various funds and accounts created in the Ordinance required for and on account of such Additional Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to the Ordinance.

The term "Additional Parity Bonds," as used in this section, shall not be deemed to include Bonds, notes, certificates or other obligations subsequently issued, the lien on the Revenues of the System of which is subject to the prior and superior lien of the Bonds on such Revenues. Any such subordinate Bonds, notes, certificates or other obligations shall be payable from Surplus Revenues. The City shall not issue any obligations whatsoever payable from the Revenues of the System, or any part thereof, which rank prior to or equally, as to lien and source of and security for payment from such Revenues, with the Series 2013 A Bonds, except in the manner and under the conditions provided in this section.

No Additional Parity Bonds shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in the Ordinance and the Prior Ordinances on account of the Bonds then Outstanding, if any (excluding the Renewal and

Replacement Fund), and any other payments provided for in the Ordinance and the Prior Ordinances shall have been made in full as required to the date of delivery of the Additional Parity Bonds and the Issuer shall then be in full compliance with all the covenants, agreements and terms of the Ordinance and the Prior Ordinances.

Provided, however, that when the Prior Bonds are no longer outstanding or in the event that the registered owners of the Prior Bonds waive the applicability of certain covenants contained in the Prior Ordinances, that if the most recent audit by an independent certified public accountant for the City or the Board for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the City or the Board was not in compliance with the rate covenant in Section 6.04 of the Ordinance for the year being audited and the Board has enacted a rate increase for which all applicable appeal periods shall have expired (without successful appeal) implementing a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of the Ordinance, so as to prevent the City from issuing Additional Parity Bonds. See "APPENDIX F - FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

THE SYSTEM

The City has operated a water treatment and distribution system since 1887. The Water Board of the City of Clarksburg was established in 1909 by act of legislature and is provided for by the Charter for the City of Clarksburg and the Code of West Virginia, 1931, as amended. The System is operated by the Board as a water system pursuant to Chapter 8, Article 19 of the Code of West Virginia, 1931, as amended. Additionally, the Board is authorized to establish and maintain rates for the System. For additional information regarding the System, see "APPENDIX B - THE SYSTEM," herein. For information regarding the City and Harrison County in which the City is situated, see "APPENDIX A - GENERAL INFORMATION REGARDING CLARKSBURG AND HARRISON COUNTY, WEST VIRGINIA."

INVESTMENT CONSIDERATIONS

Gross Revenue Pledge

The Series 2013 A Bonds are secured solely by the Gross Revenues of the System. There can be no guarantee that current rates of the System will always produce revenue sufficient to pay the debt service on the Prior Bonds and the Series 2013 A Bonds. The Board has agreed to comply with the covenant to raise the rates of the System if the Gross Revenues of the System are not sufficient to provide the required coverage of the maximum annual debt service of the Series 2013 A Bonds and all bonds issued on a parity with the Series 2013 A Bonds and the Prior Bonds. After enactment of a rate increase, however, if twenty-five percent or more of the City's customers or one of the City's wholesale customers file a petition protesting the rate increase, the Public Service Commission of West Virginia (the "Commission") will have jurisdiction to review and modify the rates for the System. If a rate increase is appealed, there can be no assurance that the Commission will approve the increase of rates and charges to a level sufficient to generate revenues sufficient to pay the debt service on the Prior Bonds and the Series 2013 A

Bonds and meet the coverage requirements of such bonds. The Commission is not expressly statutorily required to set rates sufficient to satisfy the bond covenants of any water utility.

Gross Revenues sufficient to pay the debt service on the Series 2013 A Bonds and the Prior Bonds also depend on the retention of current customers by the City and the Board. An unexpected loss of customers by the City and the Board could have an adverse effect on the ability of the City to make the required payments on the Series 2013 A Bonds. Additionally, a significant reduction in the amount of water used by customers of the City may also have an adverse impact on the City's ability to make the required payments on the Series 2013 A Bonds. The City does not have the authority to require citizens to accept service by the System. Accordingly, any further extensions by the City are dependent upon the City being able to obtain agreements with those potential customers to purchase water from the City. If the City is unable to obtain agreements from potential customers after an extension is constructed, it may have an adverse impact on the ability of the City to make the required payments on the Series 2013 A Bonds. Fourteen wholesale customers purchase water from the System. See "APPENDIX B – THE SYSTEM" herein. If a significant wholesale customer were to obtain water from some other source, it may have an adverse impact on the ability of the City to make the required payments on the Series 2013 A Bonds.

Although water usage has been historically higher in the City, a combination of multiple businesses moving outside of the service area of the System and a decrease in the City's population have caused water usage to decrease in recent years.

Debt Service Reserve Fund

The City has funded a debt service reserve fund for the Series 2013 A Bonds at the Bond Commission in the amount of the reserve fund requirement. The City has also established reserve funds for the Prior Bonds. Due to a shortfall in revenues sufficient to make the monthly payments to the Bond Commission for the Prior Bonds, the Bond Commission accessed the Prior Bonds reserve fund to pay debt service on September 1, 2007. Facing insufficient revenues, the Board adopted an 11% rate increase on March 13, 2007. This rate increase was protested by one of the resale customers and the Public Service Commission took jurisdiction over the rates. Following a series of hearings, the Administrative Law Judge issued a Recommend Decision on September 19, 2007, approving higher rates than proposed. Following objections to the Administrative Law Judge's Recommended Decision, the Commission on November 2, 2007, approved the original 11% rate increase. The protest process delayed implementation of the higher rates and the related revenues for over six months causing a shortfall at the Bond Commission. As a result of the delay in implementing higher rates and increased operation and maintenance expenses, the Board continued to receive revenues insufficient to cover expenses and meet the coverage requirement. As a result the Bond Commission accessed the reserve funds to pay debt service on March 1, 2009, September 1, 2009, March 1, 2010, and September 1, 2010. To address the shortfalls, the Board took two steps: (1) obtained a $225,000 loan from the City in August 2010, used to pay debt service and (2) enacted a 4 step graduated rate increase (effective October 1, 2010). The loan from the City was repaid in June 2011 and as of October 1, 2012, the Board was current with all debt service and reserve fund payments at the Bond Commission. While the Board has increased rates which have generated additional revenues enabling the accounts to become current at the Bond Commission, there is no assurance that the Board will have sufficient revenues to make the monthly payment requirements and/or to

replenish the reserve funds at the Bond Commission. See "APPENDIX B – THE SYSTEM – Summary of Historical and Projected Gross Revenues and Expenses" herein.

Customer Base

The City has experienced a declining population base. See "APPENDIX A - General Information Regarding Clarksburg and Harrison County, West Virginia." Consequently, the number of customers within the City have declined and certain businesses and facilities have relocated outside the City. The Board however is the primary producer of water in the county and provides water service to not only the City but the City of Bridgeport and fourteen other surrounding water utilities. Neither the City nor the Board can make any representation as to the number of customers which will be available to support the System and the debt service necessary for the Series 2013 A Bonds. See "APPENDIX B – THE SYSTEM – Customer Statistics" herein.

Future Legislation

Current or future legislative proposals, if enacted into law, may cause interest on the Series 2013 A Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent holders of the Series 2013 A Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals may also affect the market price for, or marketability of, the Series 2013 A Bonds. Prospective purchasers of the Series 2013 A Bonds should consult their own tax advisors regarding any such pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

It is not an event of default on the Series 2013 A Bonds if any legislation is enacted reducing or eliminating the exclusion of interest on state and local government bonds from gross income for federal income tax purposes or adversely impacting the tax treatment of such bonds for State tax purposes.

The Public Service Commission of West Virginia

In West Virginia, municipal water utilities such as the City and the Board are subject to regulatory oversight by the Commission in certain situations. Specifically, pursuant to Chapter 24, Article 2, Section 11 of the Code of West Virginia, 1931, as amended, utilities must obtain a certificate of public convenience and necessity prior to proceeding to construction for projects which are outside of "the normal course of business." Additionally, rate increases approved by the Board are subject to review for regulatory "notice" requirements and, under certain circumstances, the actual proposed rates. Municipal water utilities in West Virginia do not have the ability to adjust rates without the possibility of regulatory review. The parameters surrounding this review are discussed below. Such regulatory review may delay or halt the implementation of rate increases which could cause the utility to fail to meet rate covenants or produce revenue sufficient to pay debt service.

The Commission has two levels of review. Most cases are initially assigned to an administrative law judge ("ALJ") for decision. The Commission employs a "staff" comprised of engineers, lawyers and financial analysts (the "Staff") to review cases and make

recommendations. The City is also permitted to make recommendations, as are other parties who are granted "intervenor" status. The ALJ may conduct a hearing, at which evidence is presented and witnesses for all parties may be cross-examined, after which a recommended decision is issued. Any party to the underlying proceeding, including a party granted intervenor status, may take exception to the recommended decision of the ALJ, in which case the matter is referred to the full Commission for decision.

Commission Regulatory Oversight of Rate Increases

Pursuant to Chapter 8, Article 11, Section 4, Chapter 8, Article 19, Section 11 and Chapter 24, Article 2, Section 4b of the Code of West Virginia, 1931, as amended, the Council of the City has the ability to establish rates for the water utility through the enactment of an ordinance, following a public hearing on such ordinance. In the case of the City, it has transferred the authority and responsibility to the Board for the operation and maintenance of the System and the setting of rates and charges for water provided by the System pursuant to its City Charter. In the enactment of such an ordinance, the Board must comply with regulations of the Commission related to providing notice of such proposed rate increase. The Commission reviews the compliance of the Board with such regulations and, if the Commission determines that the Board has failed to satisfy the requirements of the regulations, the Commission may declare the rate ordinance invalid.

In such instance, the Board would have no choice but to reenact the ordinance.

Commission Review of Proposed Rate Increases

Once enacted, the proposed rates are subject to review by the Commission under the following scenarios:

1. More than 25% of the customers of the City and the Board sign a petition asking that the Commission review the rates proposed by the Board; or

2. A customer of the City and the Board, which resides within the municipal boundaries of the City, alleges in writing that the rates being proposed by the Board are "discriminatory"; or

3. A customer of the City and the Board, which resides outside of the municipal boundaries of the City, alleges in writing that the rates being proposed by the Board are "discriminatory."

If any of the above occurs, the Commission then takes "jurisdiction" over the rates, initiating an investigation into the need for the proposed rates. Pursuant to Chapter 24, Article 2, Section 4b of the Code of West Virginia, 1931, as amended (the "PSC Act"), the rates enacted by the Board are suspended for 120 days from the date the rates would otherwise have gone into effect (i.e., 45 days from enactment of the rate ordinance) and the new rates, if any, established by the Commission will go into effect at that end of the suspension period.

The Commission views the term "discrimination" to include more situations than those where a different rate is applied to resident and non-resident customers. The Supreme Court of

Appeals of West Virginia previously affirmed the Commission's interpretation of the term "discrimination" when the court held that verified allegations, "which included the failure of the municipality to perform a class cost of service study and the discriminatory imposition of certain costs to resale customers, were sufficient to meet the requirements" found in the PSC Act. *City of Wheeling v. Pub. Serv. Comm'n of W. Va.,* 199 W. Va. 252, 257, 483 S.E.2d 835, 840 (1997).

The System has 14 bulk water resale customers. Any one resale customer may allege "discrimination," causing the Commission to take jurisdiction over any proposed rate increase. Likewise, any one customer located within the City limits may allege "discrimination," also causing the Commission to take jurisdiction over any proposed rate ordinance.

Potential Delays for the Enactment of Rate Increases

Generally, the process of enacting a rate ordinance requires a minimum of two weeks (two readings by the Board, separated by sufficient time to allow for the publication of a public hearing notice prior to the second reading, with the first publication for the public hearing being not less than 5 days prior to the date of the public hearing). Pursuant to the PSC Act and regulations of the Commission, the rates cannot go into effect any sooner than 45 days from the date of enactment, provided that an appeal of the proposed rates does not occur. In the event that the Commission takes jurisdiction of the rate increase, the Commission will establish a decision due date for the ALJ, that is generally 30 days prior to the end of the 120-day suspension period. If any of the parties, however, appeal the ALJ's recommended decision to the full Commission, the Commission will render its decision no later than the end of the 120-day suspension period. Additionally, a decision of the Commission may be appealed to the Supreme Court of Appeals of West Virginia, which has no statutory time frame within which to render a decision.

Consequently, the time period from the first reading of a rate ordinance to the increased rates being charged to the customers is a minimum of 60 days, and if the Commission takes jurisdiction, can exceed 180 days (Commission approved rates are billable during an appeal to the Supreme Court of Appeals of West Virginia). From the date the new rates begin to be charged, the City and the Board should realize revenues in approximately 45 to 60 days. Resale customers are required to obtain authorization from the Commission for any necessary increase in resale rates. Such increases are often granted by the Commission after the rates for the Board go into effect, which means no assurance exists that resale customers will have sufficient revenues to be paying the increased resale rates. The Commission can, and has on occasion, pre-approved resale rate increases in advance of the effective date of the new rates. As a result, resale customers may have the ability to begin charging the new resale rates of the Board as soon as the rates go into effect.

Test Year

If the Commission takes jurisdiction over a municipality's rate ordinance as described above, the regulations of the Commission require a municipality to file "financial justification" for the proposed rate increase. This financial justification must be based on financial data from the most recent actual audited or finally closed twelve-month period, also known as the "test year." Events which occur outside the test year are not generally permitted in the rate adjustment. A determination at the end of any twelve-month period that a rate increase is

necessary may not result in increased rates and collections for nine months or more from the end of that period.

The Board has the option to proceed with a rate increase at any time during the course of the year, however, the financials examined by the Commission will be the financials for the most recent full fiscal year, not the 12-month period immediately preceding the date of the request.

Reliance on "Known and Measurable" Adjustments

When considering adjustments to the rates of a utility for costs occurring during the "test year," the Commission's regulations require that the need for, and amount of, such adjustments be based on information that is "known and measurable." As a result, a change in revenues or expenses must, in most cases, have occurred in the test year being analyzed. If an increase in a cost, or a decline in revenue, is anticipated for the coming year, the Commission generally will not take such change into account for rate making purposes unless the change occurs during the test year.

As a result of the requirement that the support for adjustments be "known and measurable," the Commission will generally not allow multi-year rate increases to address anticipated inflation or drops in customer usage. Therefore, the Board must initiate the rate ordinance process, and potential Commission review, whenever increased costs or decreased revenues necessitate a rate increase.

Emergency Rate Increase

The PSC Act permits utilities to request "emergency rates" if the utility is in "financial distress." Financial distress has been defined by the Commission to mean the utility is unable to pay operation and maintenance expenses and the principal and interest on the utility's debt obligations. Such rates, however, are subject to refund, in the event the Commission determines that the emergency rates, or any portion thereof, are not warranted. Generally, emergency rates CANNOT be obtained to meet coverage requirements in bond documents.

Treatment of Renewal and Replacement Funds

Most municipal water utilities in the State are required, pursuant to the terms of their outstanding bonds, to deposit 2.5% of gross revenues in a "Renewal and Replacement Fund" or "Depreciation Account" each month. The purpose of this account is to provide monies for capital repairs and improvements, to construct extensions and to make up deficiencies in the reserve funds. In recent years, the Commission has taken the position that while the deposits should be made into the Account each month, such deposits are to be included in the calculation of the City's funds available for capital additions for the year. The Commission generally calculates funds available for capital additions by averaging capital additions for the last five years; provided, however, the Commission will consider a different calculation if the utility can demonstrate the need for a higher capital requirement. Consequently, the City is not permitted to accumulate funds to be used for unforeseen capital repairs and replacements, for needed extensions or to replenish draws from the reserve funds as the account is to be utilized each year as part of the ongoing capital expenditures for the system. The City's inability to maintain funds

for emergencies increases its risk of utilizing revenues to pay for emergency repairs leaving insufficient funds to pay debt service on the Bonds.

TAX MATTERS

In the opinion of Steptoe & Johnson PLLC, Bond Counsel, under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Series 2013 A Bonds (including original issue discount properly allocable to holders of the Series 2013 A Bonds) (i) is excludable from gross income of the holders thereof for Federal income tax purposes, assuming compliance with certain provisions described herein pertaining to the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not a specific item of tax preference, under Section 57(a)5 of the Code, in computing the federal alternative minimum tax imposed on individuals and corporations, and (iii) under the laws of the State of West Virginia, the Series 2013 A Bonds and the income therefrom is exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes. It should be noted, however, that interest on the Series 2013 A Bonds is included in the adjusted current earnings of certain corporations (as defined for federal income tax purposes) for purposes of computing the alternative minimum tax that may be imposed with respect to corporations.

No assurance can be given that any future legislation, including amendments to the Code, if enacted into law, or changes in interpretation of the Code, will not cause interest on the Series 2013 A Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Series 2013 A Bonds from realizing the full current benefit of the tax exemption of such interest. In addition, current and future legislative proposals, if enacted into law, may cause interest on state or local government bonds (whether issued before, on the date of, or after enactment of such legislation) to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the amount of interest on such bonds that may currently be treated as tax exempt by certain individuals. Prospective purchasers of the Series 2013 A Bonds should consult their own tax advisers regarding any pending or proposed federal tax legislation.

Further, no assurance can be given that the introduction or enactment of any such future legislation, or any action of the United States Internal Revenue Service ("IRS"), including but not limited to regulation, ruling, or selection of the Series 2013 A Bonds for audit examination, or the course or result of any IRS examination of the Series 2013 A Bonds or obligations which present similar tax issues, will not affect the market price for the Series 2013 A Bonds.

The statements contained herein regarding exemption of the interest on the Series 2013 A Bonds from gross income for federal income tax purposes are based upon the law in effect on the date hereof, and may be affected by actions taken or omitted or events occurring after the date hereof, including subsequent interpretations of the applicable law by competent judicial, regulatory and administrative authorities that modify, revoke, supplement, reverse, overrule or otherwise change applicable law and current interpretations thereof, and specifically by current or future legislative proposals, which, if enacted into law, could adversely affect the tax exemption of the interest on the Series 2013 A Bonds. We assume no obligation to revise or supplement this official statement should such law be changed by legislative action, judicial decision, or otherwise, or to determine or to inform any person whether any such actions are taken or omitted or any such events occur.

Designation of Qualified Tax-Exempt Obligations

The City has designated the Series 2013 A Bonds as "qualified tax-exempt obligations" for purposes of Section 265 of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, a portion of the interest expense that is allocable to carrying and acquiring tax-exempt obligations.

[Original Issue Discount/Original Issue Premium

The original issue discount in the selling price of Series 2013 A Bonds maturing on September 1, 20__, through September 1, 20__ (collectively, the "Discount Bonds"), to the extent properly allocable to each owner of such Discount Bonds, is excluded from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Discount Bond over its initial offering price to the public, excluding Underwriter and other intermediaries, at which price a substantial amount of the Discount Bonds of such maturity were sold.

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (i) the issue price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (iii) any interest payable on such Discount Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in such Discount Bond.

Purchasers of any Discount Bond at any original issue discount should consult their tax advisors regarding the determination and treatment of original issue discount for federal income tax purposes, and with respect to state and local tax consequences of owning such Discount Bonds.

The Series 2013 A Bonds maturing on September 1, 20__, through September 1, 20__ (collectively, the "OIP Bonds"), will be sold with an original issue premium ("OIP"). The original issue premium will be equal to the excess of a holder's tax basis in the OIP Bonds over the amount payable at maturity, or in the case of OIP Bonds subject to redemption, the amount payable on the redemption date. Under current law, the original issue premium for OIP Bonds must be amortized on an annual basis by the holder thereof. The amount of original issue premium amortized each year will not be deductible for federal income tax purposes. Further, Section 1016 of the Code requires that the amount of annual amortization for the OIP Bonds be deducted from the holder's tax basis in such OIP Bonds. This reduction in a holder's tax basis will affect the amount of capital gain or loss to be recognized by the holder when the OIP Bonds are sold or redeemed. Owners of OIP Bonds should consult their tax advisors with respect to the determination and treatment of amortizable original issue premium for federal income tax purposes, and with respect to the state and local tax consequences of owning such OIP Bonds.]

The opinions described above are subject to the condition that the City complies on a continuing basis with all requirements of the Code, and regulations thereunder that must be

satisfied subsequent to issuance of the Series 2013 A Bonds for interest thereon to be or continue to be excluded from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements could cause the interest on the Series 2013 A Bonds to be included in the gross income of the recipients thereof for purposes of federal income taxation retroactively to the date of issuance of the Series 2013 A Bonds.

The accrual or receipt of the interest on the Series 2013 A Bonds may otherwise affect the federal income tax liability of certain recipients. The extent of these and other consequences will depend upon the recipient's particular tax status or other items of income or deductions. Bond Counsel expresses no opinion regarding any such consequences, and investors should consult their tax advisors regarding the tax consequences of purchasing or holding the Series 2013 A Bonds.

APPROVAL OF LEGALITY

Legal matters incident to the authorization, sale and issuance of the Series 2013 A Bonds are subject to the unqualified approving opinion of Steptoe & Johnson PLLC, Charleston, West Virginia, Bond Counsel, the form of which is attached hereto as APPENDIX D. Certain legal matters will be passed upon for the City by Gregory A. Morgan, Esquire, of Young, Morgan & Cann, PLLC, Clarksburg, West Virginia, as City Attorney, and for the Clarksburg Water Board by Kay Casto & Chaney, PLLC, Morgantown, West Virginia, Board Counsel. Jackson Kelly PLLC, Charleston, West Virginia, as counsel to the Underwriter, will pass upon certain legal matters for the Underwriter.

ABSENCE OF MATERIAL LITIGATION

There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body, now pending or, to the best knowledge of the City and the Board, threatened or affecting the City or the Board (or, to the knowledge of the City and the Board, any basis therefor) wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial position of the City or the Board or on the validity of the Series 2013 A Bonds, the Ordinance or any agreement to which the City or the Board is a party and which is a part of the issuance of the Series 2013 A Bonds.

UNDERWRITING

The Series 2013 A Bonds are being purchased by the Underwriter named on the cover of this Official Statement. The Bond Purchase Agreement provides that the Underwriter will purchase the Series 2013 A Bonds, if any are purchased, at a total purchase price of $_____ ($_____ minus Underwriter's discount of $_____ and [plus/minus a net original issue premium/discount of $_____]). The obligation to make such purchase is subject to the terms and conditions set forth in the Bond Purchase Agreement, including the approval of certain legal matters by counsel. The Underwriter may change the initial public offering prices from time to time. The Underwriter may offer and sell Series 2013 A Bonds to certain dealers (including dealers depositing the Series 2013 A Bonds into investment trusts) and certain dealer banks acting as agents at prices lower than the public offering prices stated on the inside cover page hereof.

FINANCIAL STATEMENTS

Included in APPENDIX C are the audited financial statements of the Board as of and for the twelve-month period ended June 30, 2012, and the report with respect to the audited financial statements as of and for the twelve-month period ended June 30, 2012, dated December 14, 2012, of Perry & Associates, Certified Public Accountants, A.C.. The Board has obtained the consent of Perry & Associates, Certified Public Accountants, A.C., to publish the audited financial statements with this Official Statement.

CONTINUING DISCLOSURE

The City and the Board have agreed to execute and deliver contemporaneously with the issuance of the Series 2013 A Bonds an agreement to undertake for the benefit of the Registered Owners of the Series 2013 A Bonds to provide certain financial information (the "Annual Information") not later than two hundred seventy (270) days following the end of the fiscal year of the Board, commencing for the fiscal year of the Board ending June 30, 2013, to the Electronic Municipal Markets Access System ("EMMA") and to provide notice of the occurrence of the enumerated events listed therein (the "Enumerated Events") to EMMA as required by SEC Rule 15c2-12, as modified by certain amendments that became effective on December 1, 2010. See "APPENDIX E – FORM OF CONTINUING DISCLOSURE AGREEMENT." The Annual Information and each notice of Enumerated Events will be filed electronically by WesBanco Bank, Wheeling, West Virginia, as dissemination agent, on behalf of the City and the Board, with EMMA.

This continuing disclosure obligation is being undertaken by the City and the Board to assist the Underwriter in complying with Rule 15c2-12 promulgated by the SEC. The City and the Board have agreed to give notice in a timely manner to EMMA of any failure to supply the requested information. However, any such failure will not constitute a default under the terms of the Series 2013 A Bonds or the Ordinance. Registered Owners may contact the General Manager of the Clarksburg Water Board at 1001 S. Chestnut Street, Clarksburg, WV 26301, (304) 623-3711, for more information. Under the Continuing Disclosure Agreement, a Bondholder's sole remedy for such failure is to seek an order for specific performance. Any failure to comply with the continuing disclosure requirements described above shall not, however, constitute an event of default under the Series 2013 A Bonds or the Ordinance.

The Continuing Disclosure Agreement for the Series 2002 Bonds required the City to file its continuing disclosure with nationally recognized municipal securities information repositories. Specifically, the Continuing Disclosure Agreement required the City to file its unaudited annual financial information within 90 days of the end of each fiscal year, and its audited annual financial information within 15 days after receipt of such information by the City. Since the relevant information relating to the Series 2002 Bonds was contained in the Board's financial statements, those statements were filed rather than the City's general purpose statements. Prior to the end of the 2009 Fiscal Year, the City filed its continuing disclosure as required by such agreement. However, the City failed to file the June 30, 2009 unaudited annual financial information, and failed to timely file the June 30, 2009 audited annual financial information with EMMA until February 1, 2011. The City failed to timely file the June 30, 2010 audited annual financial information with EMMA until January 4, 2012. The City failed to file the June 30, 2011 unaudited annual financial information with EMMA. The June 30, 2011 audit was not completed until May 11, 2012, and therefore the City failed to timely file it with EMMA

until June 11, 2012. The City timely filed both the June 30, 2012 unaudited annual financial information and audited annual financial information with EMMA. The City did not engage a dissemination agent to file the annual financial information for the Series 2002 Bonds. In an effort to ensure timely filing of future continuing disclosure obligations, the City and the Board are engaging WesBanco Bank, Wheeling, West Virginia, as dissemination agent pursuant to the Continuing Disclosure Agreement. See APPENDIX E.

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MISCELLANEOUS

The foregoing summaries, explanations and quotations do not purport to be complete and are expressly made subject to the exact provisions of the complete documents. Purchasers are referred to the Act and the Ordinance for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representation of fact. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or owners of any of the Series 2013 A Bonds. The City and the Board have authorized the execution and distribution of this Official Statement.

CITY OF CLARKSBURG, WEST VIRGINIA

By: _____
Mayor

By: _____
City Manager

CLARKSBURG WATER BOARD

By: _____
President

MISCELLANEOUS

The foregoing summaries, explanations and quotations do not purport to be complete and are expressly made subject to the exact provisions of the complete documents. Purchasers are referred to the Act and the Ordinance for full and complete statements of their provisions.

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CITY OF CLARKSBURG, WEST VIRGINIA

By: _____
Mayor

By: _____
City Manager

CLARKSBURG WATER BOARD

By: _____
President

APPENDIX A
(sources include the City, US Census, City-Data.com)

GENERAL INFORMATION REGARDING CLARKSBURG AND HARRISON COUNTY, WEST VIRGINIA

The City of Clarksburg (the "City"), county seat of Harrison County, West Virginia, was settled in 1765 and incorporated by the General Assembly of Virginia in 1795. The City occupies approximately 6 square miles and is located in north-central West Virginia at the intersection of Interstate 79 and U.S. Route 50. The City is located 7 miles from North Central West Virginia Airport, which is served by United Airlines, and is on the main line of the CSX Rail System. The City is 90 miles from Wheeling, West Virginia, 110 miles from Pittsburgh, Pennsylvania, and 122 miles from Charleston, West Virginia.

Population Data

Census Report	City Population	% Change
1960	28,112	-12.2%
1970	24,864	-11.6%
1980	22,371	-10.0%
1990	18,059	-19.3%
2000	16,743	-7.3%
2010	16,578	-1.0%

Source: U.S. Census Bureau

Gender/Age/Race Data

Median resident age:	36.4 years	
WV median age:	41.1 years	
White alone	15,746	(95.2%)
Black alone	339	(2.0%)
Two or more races	328	(2.0%)
Asian alone	358	(0.5%)
American Indian	30	(0.5%)
Other race alone	25	(0.2%)
Native Hawaiian and Other Pacific Islander alone	41	(0.2%)

Source: U.S. Census Bureau (2007-2011 American Community Surveying 5-year Estimates)

Household Data

Average household size:
- City: 2.3 people
- West Virginia: 2.4 people

Percentage of family households:
- City: 57.9%
- West Virginia: 68.1%

Source: City-data.com

County Population Data

HARRISON COUNTY POPULATION

Census Report	County Population	% Change
1960	77,856	-8.7%
1970	73,028	-6.2%
1980	77,710	+6.4%
1990	69,371	-10.7%
2000	68,652	-1.0%
2010	69,099	+0.7%

Source: U.S. Census Bureau

Commerce and Industry

Coal, oil and gas are the major natural resources available to the City. In addition to the development of these resources, the manufacture of window glass and other glass products constitutes the major industry of the City and Harrison County. Carbon electrodes, zinc anodes and zinc dust, caskets, brick, tile, airplane sub-assemblies and services, bits, mining tools, helicopter engines and cast iron are other products manufactured by local industry. The City is a major trade center of north-central West Virginia, from which products are distributed wholesale throughout an area within a radius of 90 miles of the City.

Employment

MAJOR EMPLOYERS (March 2011)

Employer	Service
U.S. Department of Justice (FBI)	Government
Harrison County Board of Education	Education
United Hospital Center, Inc.	Healthcare
Veterans Administration Hospital	Healthcare
Wal-Mart Stores, Inc.	Retail
Pratt and Whitney Engine Services, Inc.	Manufacturing/Service
Bombardier Services Corporation, Inc.	Manufacturing
Dominion Transmission, Inc.	Energy
United Summit Center, Inc.	Healthcare
U.S. Postal Service	Government

Source: WORKFORCE West Virginia

HARRISON COUNTY UNEMPLOYMENT RATES

Year	Unemployment Rate
2002	5.9%
2003	5.8%
2004	5.2%
2005	4.5%
2006	4.3%
2007	3.9%
2008	3.8%
2009	6.7%
2010	7.8%
2011	6.9%

Source: WORKFORCE West Virginia

Several industries have increased their commitments to operations in the Harrison County area since 1980, notwithstanding generally depressed economic activity during this period. The Meadowbrook Mall, a 780,000 square foot shopping mall, opened in 1983, and Eastpointe, a $10 million, 173,000 square foot, multi-use commercial development was completed in August 1985 and is fully occupied. The North Central West Virginia Airport Industrial Park has been expanded and Northrop Grumman Corporation has located a facility within that park. Winfield Corporation, a manufacturer of medical supply disposal equipment, opened a plant in Harrison County. The FBI Identification Division constructed facilities on a 986-acre site in Harrison County and employs thousands of persons.

Transportation

Harrison County is bisected by Interstate 79 which connects with Interstate 68 to the north. Other major highways in the area include US Highway 50, US Highway 19, WV Route 20, WV Route 23, WV Route 57, WV Route 58, WV Route 66, and WV Route 98.

Passenger air service is provided to North Central West Virginia Airport in Bridgeport, West Virginia, and Morgantown Municipal Airport, in Morgantown, West Virginia. The major airport serving the County is Pittsburgh International Airport in Pittsburgh, Pennsylvania.

Area rail service is provided by the CSX Rail System. Passenger bus service is provided by Greyhound Buslines and Central West Virginia Transit Authority for national and local service, respectively.

Utilities and Services

Electric service to Harrison County is provided by Allegheny Power. Cable service is provided locally by Time Warner Cable and Suddenlink Communications. Telephone service is provided by Frontier Communications.

The City's wastewater collection and treatment system provides sewer service to the City and surrounding areas, and is capable of effectively treating a maximum of 10-12 million gallons

per day of combined sanitary and storm wastewater, or an average daily flow of 8.0 million gallons.
Source: The City

Health Care

Harrison County is a destination healthcare center. It is currently home to the Veterans Administration Hospital and the United Hospital Center ("UHC"), who provides health services to a 12-county area. UHC has more than 15,000 admissions annually in addition to 370,000 outpatient visits, including 43,000 related to the emergency department alone. United Hospital Center's new 292-(private rooms) bed facility (with 24 observation rooms) is located on Route 279 just off Exit 124 in Bridgeport. The 681,440 square foot, $195 million facility will be the first hospital of this magnitude to be built in West Virginia in more than 20 years, keeping Harrison County at the forefront of healthcare technology in the state.

Source: Harrison County Development Authority and United Hospital Center (uhcwv.org)

Hospital/medical centers in/near Clarksburg:

- Clarksburg VA Medical Center (1 Medical Center Drive)
- United Hospital Center (about 4 miles away, Bridgeport, WV)
- Fairmont General Hospital (about 16 miles away, Fairmont, WV)
- Grafton City Hospital (about 18 miles away, Grafton, WV)

Source: City-data.com

Lodging Facilities

- Hilton Garden Inn, 606 Emily Drive, Clarksburg, WV 26301, Phone: (304) 326-9200
- Days Inn & Suites, 112 Tolley Drive, Clarksburg, WV 26330, Phone: (304) 842-7371
- Greenbrier Motel & Restaurant, 200 Buckhannon Pike, Clarksburg, WV 26301, Phone: (304) 624-5518
- Sleep Inn, 115 Tolley Drive, Clarksburg, WV 26330, Phone: (304) 842-1919
- Sutton Inn, 250 Emily Drive, Clarksburg, WV 26301, Phone: (304) 623-2300
- Main Street Manor, 151 E. Main Street, Clarksburg, WV 26301, Phone: (304) 677-6306

Source: The City; Greater Clarksburg Convention & Visitors Bureau

Parks and Recreation

The City is home to three large parks with many amenities. Veterans Memorial Park encompasses 50 acres along the West Fork River, and has a dog park located nearby. Clarksburg City Park is 38 acres along Route 20 in Nutter Fort. Lowndes Hill Park is 58 acres and

overlooks the City. Also, the City opened a new amphitheater in 2009, which can seat up to 1,200 persons. The greater Clarksburg area is part of the larger Rails to Trials system of West Virginia. There are two smaller trails in and around Clarksburg: a 17-mile West Fork River Trial and a 7-mile hike and bike trail. Just outside the City is a 72-mile trail called the North Bend Rail-Trial that travels to the Ohio River near Parkersburg. A short distance from the City in Salem, WV, is Dog Run Lake Park, a great location for both fishing and a picnic. The City also boasts its own "Little Italy" in the Historic Glen Elk Village, a neighborhood known for its Italian Heritage and restaurants, and home to an annual festival.

Several other parks and other recreation facilities are near the City, including Watters Smith Stake Park and the West Virginia CCC Camp Museum. Also located close to the City are other West Virginia scenic and recreational areas including Blackwater Falls State Park, 3,860 acre Tygart Lake created by the Tygart Dam, ski areas of Tucker County, other State parks and the Monongahela National Forest.

Sources: The City; Greater Clarksburg Convention & Visitors Bureau

Secondary Education

Public high schools in Clarksburg:

- Liberty High School, Location: 1 Mountaineer Drive, Clarksburg, WV 26301
- Robert C. Byrd High School, Location: 1 Eagle Way, Clarksburg, WV 26301
- Harrison County Alternative Learning Center, Location: Rt. 3, Clarksburg, WV 26301

Source: WV Department of Education

Private high schools in Clarksburg:

- Apostolic Christian Academy, Location: Rt. 3, Clarksburg, WV 26301
- Emmanuel Christian School, Location: 1318 N. 16th Street, Clarksburg, WV 26301
- Notre Dame High School, Location: 127 E. Pike Street, Clarksburg, WV 26301

Source: WV Department of Education

Public elementary/middle schools in Clarksburg:

- Elementary Schools:
    - Adamston Elementary School, Location: 1636 W. Pike Street, Clarksburg, WV 26301
    - North View Elementary School, Location: 1400 N. 19th Street, Clarksburg, WV 26301
    - Wilsonburg Elementary School, Rt. 4, Clarksburg, WV 26301
- Middle Schools:
    - Mountaineer Middle School, Location: 2 Mountaineer Drive, Clarksburg, WV 26301
    - Pressley Ridge School, Rt. 5, Location: Clarksburg, WV 26301
    - Washington Irving Middle School, Location: 443 Lee Avenue, Clarksburg, WV 26301

Source: Harrison County Schools

Private elementary/middle school in Clarksburg:

- Apostolic Christian Academy, Location: Rt. 3, Clarksburg, WV 26301

- Emmanuel Christian School, Location: 1318 N. 16th Street, Clarksburg, WV 26301
- St. Mary's Grade School, Location: 107 E. Pike Street, Clarksburg, WV 26301

Source: WV Department of Education

Higher Education

- Fairmont State University, Public, Location: Fairmont, WV (about 22 miles away)*
- Pierpont Community and Technical College, Public, Location: Fairmont, WV (about 22 miles away)*
- United Technical Center, Public, Location: Clarksburg, WV
- Salem International University, Private, Location: Salem, WV (about 15 miles away)

* Offers classes at The Gaston Caperton Center, 501 W. Main Street, Clarksburg, WV

Communications

News service is provided by the Clarksburg Exponent-Telegram, a daily newspaper located in the City, the Bridgeport News and the Shinnston News & Journal, both weekly publications. Other daily newspapers distributed in the area are the Times West Virginian (Fairmont) and the Dominion Post (Morgantown).

Source: West Virginia Press Association

WKJL-FM, W220BZ-FM, WDCI-FM, WZWA-FM, WPDX-FM, WAJR-FM, WGIE-FM, WOBG-FM, WWLW-FM, W297AA-FM, WXKX-AM, WOBG-AM AND WPDX-AM are the local radio stations.

TV broadcast stations around Clarksburg include WVFX (Channel 46; Clarksburg, WV), WBOY-TV (Channel 12; Clarksburg, WV), and WDTV (Channel 5; Weston, WV); and WNPB-TV (Channel 24; Morgantown, WV).

Source: City-data.com

Financial Institutions

Banking service in the City is provided by the following banks (2011 data):

The Huntington National Bank
JP Morgan Chase Bank
United Bank
Branch Banking and Trust Company
City National Bank of West Virginia
West Union Bank
Wesbanco Bank, Inc.
The Harrison County Bank

Source: City-data.com

Housing

Single-family new house construction building permits:

- 2000: 8 buildings, average cost: $74,300
- 2001: 8 buildings, average cost: $74,300
- 2002: 2 buildings, average cost: $121,800
- 2003: 2 buildings, average cost: $121,800
- 2004: 5 buildings, average cost: $121,800
- 2005: 4 buildings, average cost: $121,800
- 2006: 1 buildings, average cost: $121,800
- 2007: 2 buildings, average cost: $121,800
- 2008: 2 buildings, average cost: $121,800
- 2009: 0 buildings, average cost: N/A
- 2010: 0 buildings, average cost: N/A
- 2011: 0 buildings, average cost: N/A

Source: City-data.com

Airports located in or near Clarksburg

North Central West Virginia Airport (1 Runway)
Ruth Field (1 Runway)

Sources: North Central West Virginia Airport; City-data.com

U.S. Census People QuickFacts	Harrison County	West Virginia
Population, 2011 estimate	69,436	1,854,908
Population, 2010 (April 1) estimates base	69,099	1,852,999
Population, percent change, April 1, 2010 to July 1, 2011	0.5%	0.1%
Population, 2010	69,099	1,852,994
Persons under 5 years, percent, 2011	5.8%	5.6%
Persons under 18 years, percent, 2011	21.9%	20.7%
Persons 65 years and over, percent, 2011	16.7%	16.2%
Female persons, percent, 2011	51.3%	50.7%
White persons, percent, 2011 (a)	96.0%	94.1%
Black persons, percent, 2011 (a)	1.7%	3.5%
American Indian and Alaska Native persons, percent, 2011 (a)	0.2%	0.2%
Asian persons, percent, 2011 (a)	0.5%	0.7%
Native Hawaiian and Other Pacific Islander persons, percent, 2011 (a)	Z	Z
Persons reporting two or more races, percent, 2011	1.5%	1.4%
Persons of Hispanic or Latino Origin, percent, 2011 (b)	1.3%	1.3%
White persons not Hispanic, percent, 2011	94.8%	93.0%

Living in same house 1 year & over, percent, 2007-2011	88.4%	87.7%
Foreign born persons, percent, 2007-2011	0.8%	1.3%
Language other than English spoken at home, percent age 5+, 2007-2011	1.8%	2.3%
High school graduate or higher, percent of persons age 25+, 2007-2011	84.8%	82.6%
Bachelor's degree or higher, percent of persons age 25+, 2007-2011	18.0%	17.6%
Veterans, 2007-2011	6,652	166,372
Mean travel time to work (minutes), workers age 16+, 2007-2011	22.2	25.5
Housing units, 2011	31,336	881,752
Homeownership rate, 2007-2011	73.4%	74.3%
Housing units in multi-unit structures, percent, 2007-2011	12.9%	12.0%
Median value of owner-occupied housing units, 2007-2011	$94,700	$96,500
Households, 2007-2011	27,696	740,080
Persons per household, 2007-2011	2.45	2.43
Per capita money income in the past 12 months (2011 dollars), 2007-2011	$21,846	$22,010
Median household income, 2007-2011	$40,556	$39,550
Persons below poverty level, percent, 2007-2011	18.2%	17.5%

Business QuickFacts	**Harrison County**	**West Virginia**
Private nonfarm establishments, 2010	1,821	38,676[1]
Private nonfarm employment, 2010	26,931	560,450[1]
Private nonfarm employment, percent change, 2000-2010	7.8	0.4[1]
Nonemployer establishments, 2010	3,821	90,126
Total number of firms, 2007	5,668	120,381
Black-owned firms, percent, 2007	0.6%	S
American Indian- and Alaska Native-owned firms, percent, 2007	F	S
Asian-owned firms, percent, 2007	0.8%	1.3%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	0.0%
Hispanic-owned firms, percent, 2007	1.0%	0.7%
Women-owned firms, percent, 2007	S	28.1%
Manufacturers shipments, 2007 ($1000)	D	25,080,573
Merchant wholesaler sales, 2007 ($1000)	322,782	11,036,467
Retail sales, 2007 ($1000)	1,148,532	20,538,829
Retail sales per capita, 2007	$16,878	$11,340
Accommodation and food services sales, 2007 ($1000)	117,645	2,553,258

Building permits, 2011	112	2,220

Geography QuickFacts	Harrison County	West Virginia
Land area in square miles, 2010	416.01	24,038.21
Persons per square mile, 2010	166.1	77.1
FIPS Code	033	54
Metropolitan or Micropolitan Statistical Area	Clarksburg, WV Micro Area	

Source: U.S. Census Bureau

APPENDIX B

THE SYSTEM

General

The Clarksburg Water Board (the "Board") is the primary producer of potable water in Harrison County, West Virginia. In addition to the cities of Clarksburg and Bridgeport, it provides water to fourteen (14) other surrounding water utilities with the recent addition of the City of Salem. The water treatment capacity of the System is approximately ten (10) MGD. The Board does not anticipate upgrading the System's capacity at this time. An engineering study has been performed to address future expansion when needed.

History and Development

Development of the System was initiated in 1887, and the Board was established pursuant to state legislation adopted in 1909. Prior to establishment of the Board, the City of Clarksburg (the "City") constructed a dam, a steam-powered pump station, two 250,000 gallon water storage tanks and distribution mains to the central areas of the City. Water delivered during this period was used only for sanitary and fire protection purposes. During the subsequent decade, the Board constructed a gas-fueled pumping station, additional distribution facilities and the present water treatment plant, with water safe for drinking first delivered in 1911. Three additional dams and three 500,000 gallon treated water storage tanks were constructed, the distribution system was extended and the treatment plant was improved by the addition of water softening facilities, during the two decades beginning in 1920. Thereafter, as the distribution system continued to be expanded, the first electric pumps were installed at the pump station in 1949. Further improvements were financed through application of $1,776,000 in proceeds of Series 1954 Bonds, including construction of a 55 acre, 300 million gallon raw water impoundment on Buffalo Creek, construction of two 2-million gallon steel treated water storage tanks and improvements to the pump station, and development of a new service area and meter shops. Proceeds of Series 1980 Bonds were applied to the construction of a 1.5 million gallon storage tank and connecting mains, and preparation of plans and specifications for the 10 million gallons per day ("MGD") water treatment plant and distribution grid improvements.

A series of improvements initiated in 1985 included expansion of the raw water intake structure, construction of a new raw water pumping station, water treatment plant and wastewater handling facilities, and improvement of the distribution network of the System. The raw water intake structure was expanded to provide intake capacity of 15 million MGD and included trash racks to prevent large debris from entering the intake.

Construction of a new raw water pumping station enabled delivery of 10 MGD of water from the intake structure to the treatment plant. Traveling screens were installed in front of the pumps to remove leaves and twigs and thereby prevent pump clogging. The pumping station is designed to permit future installation of an additional pump, whereby pumping capacity would be expanded to 15 MGD.

The 10 MGD water treatment plant includes a carbon contact basin, rapid mixers, flocculators, horizontal sedimentation basins, dual media filters, a two-million gallon clearwell, a high service pumping station, chemical feed and storage areas, a laboratory and control area and emergency power facilities. The plant is designed to treat up to 12 MGD with no significant additional capital expenditures and to permit expansion to 15 MGD.

Construction of wastewater handling facilities enabled discharge of wastewater from the water treatment plant to the sedimentation basins and then to the sludge press for dewatering and disposal, thereby complying with state and federal regulations.

The distribution network was improved by installation of approximately 8,400 feet of 12-inch to 20-inch ductile iron pipe and approximately 550 feet of 12-inch and 16-inch stainless steel pipe. Installation of these mains improved water flows and pressure in various parts of the distribution network.

A series of improvements initiated in 1986 included 4,800 feet of 16-inch ductile iron water transmission main, including a 200 foot river crossing that provides upgraded service to a populated area of the City, 1,100 feet of 20-inch ductile iron water transmission main that replaced a deteriorated 20-inch main, and refurbishing and painting existing water storage tanks.

A series of improvements initiated in 1992 included line extensions of approximately eleven miles of 12, 16 or 20-inch pipe, a 1 million gallon storage tank to serve the FBI Identification Division, another 2 million gallons of storage and a 2,000 GPM booster station to serve new wholesale and retail customers in the area.

In 2001, a two million gallon stainless steel water storage tank located on South Second Street replaced a one million gallon concrete water storage tank located on Chestnut Street. The City issued its Series 2001 Bonds in the amount of $2,300,000 to finance the cost of the new tank and associated improvements. The Series 2001 Bonds were sold to the West Virginia Water Development Authority. The Board also began an active effort to replace valves and mains to reduce unaccounted for water losses.

During 2001and 2002, new filter controls were installed at the water treatment plant, at a cost of $24,446. Other improvements included tube heaters in the chemical storage area, security renovations, upgrades to operator's main control panel, as well as various other capital improvements, at a combined cost of $59,715.

Over 4,000 feet of waterlines were replaced, 34 valve replacements and waterline extension to the new Veterans Nursing Home were completed during 2003 and 2004, in addition to other lesser projects, at a total cost of $1,564,690.

The largest project during the years 2005 through 2008 was construction of the Sludge Dewatering Facility, costing $1,473,000. Waterline replacement and relocation and dam safety modifications, costing $724,850 were completed during these years.

Total rehabilitation of the Adamston and Broad Oaks water storage tanks, replacement of the fluoride tank and construction of 2,500 feet of new waterline were the major capital improvements over the last three years at a total expenditure of $1,232,850.

The Board is currently working with the Canaan Valley Institute and U.S. Fish and Wildlife to remove three obsolete dams to avoid future liability.

Properties and Services

The primary functions of the System are raw water intake, raw water pumping, water treatment, finished water storage and distribution. The source of raw water for the System is the West Fork River and its tributaries.

Two reservoirs afford the System an emergency source of water for periods of severe drought. First, the System benefits significantly from flow releases to the West Fork River from an Allegheny Power System reservoir constructed on Stonecoal Creek, a tributary of the West Fork River. Water released from Stonecoal Reservoir to provide adequate flow to the Harrison Generating Station located downstream of the City flows past the System intake. The stream flow requirement at the Harrison Generating Station is approximately 40 MGD, which significantly exceeds current and projected water supply requirements for the System. Second, the Stonewall Jackson Reservoir on the West Fork River, which covers approximately 3,500 acres, is located approximately 25 miles upstream from the System intake.

Prior to the 1985 Project, the Board's raw water intake facility, located within the City and constructed in 1905, drew raw water from the reservoir created by the Hartland Dam. The original intake facility was small, permitted both clogging with debris and excessive intake velocity and did not allow for periodic removal from service for maintenance. These deficiencies were corrected by the 1985 Project through the construction of a new raw water intake.

Raw water was pumped from the intake facility to the water treatment plant. The original water treatment plant, located adjacent to the intake facility and constructed between 1888 and 1920, consisted of sedimentation basins, rapid sand and dual media filters, a 279,000 gallon usable capacity clearwell, raw water and high service pumps, chemical feed and storage facilities, and various instrumentation, controls and meters. The processing capacity of the water treatment plant was eight MGD. The numerous deficiencies of the original water treatment plant required its replacement with a new facility as a part of the 1985 Project. The new water treatment plant began operations in February 1988, and the original plant was demolished as part of that project. The new water treatment plant project included construction of a new raw water intake.

Subsidiary raw materials necessary for the production of drinking water include chemicals and power supply. Chemicals are purchased pursuant to annual contracts with reliable suppliers; the Board has encountered no difficulties in obtaining adequate chemicals. Electrical energy is furnished through the system of the Monongahela Power Company and, while short electrical interruptions sometimes are experienced, these interruptions have not created any serious problems for the System. As a part of the 1985 Project, emergency power facilities were installed to insure a continuous power supply. Currently the Board is planning for improvements including installing a back-up generator for Summit Park Booster Station and connecting the high service pumps to the water treatment plant's back-up generator that currently not connected. This will allow increased water production if there is ever an extended power failure.

The System contains one (1) concrete, seven (7) welded steel finished water distribution storage reservoirs and a two million (2,000,000) gallon concrete storage reservoir within its distribution grid. Distribution storage provides water necessary to equalize pressure in the distribution grid during peak demand, to fight fires and to maintain service during transmission, treatment or pumping failures. Certain deficiencies in effective storage capacity of two of these reservoirs were rectified by the 1985 Project through construction of additional pipelines to the distribution storage reservoir. Increased storage capacity was accomplished through construction of a two million gallon clearwell reservoir in the new plant design. The Board constructed a two million (2,000,000) gallon concrete storage reservoir in 2001 at an estimated cost of $2,100,000.

The System distribution network consists of approximately 104 miles of cast iron and ductile iron water mains, of four inch to twenty-four inch diameter, delivering water throughout the System and to the wholesale distribution areas. Water pressure in the distribution mains is

maintained and controlled through water levels in the distribution storage reservoirs and by three high service pumps at the existing water treatment plant, three electric centrifugal pumps and one diesel emergency power generator. The majority of System distribution mains were laid prior to 1930, are unlined and have become deposited with impurities from the water, decreasing the carrying capacity of the water distribution grid. The condition of distribution mains, together with inadequate pipe sizing in some areas of the distribution grid, has caused low service pressure and low fire flows in certain sectors of the service area. The 1985 Project corrected these deficiencies.

As is ordinary for a water system, there is a difference between the quantity of water recorded as being pumped from the water treatment plant into the distribution network and the quantity of water drawn from the distribution network by the users as recorded on water meters. This difference is referred to as "unaccounted for water." Unaccounted for water is attributable to several factors, including: (1) differentials in the range of accuracy of flow meters in pumping plants versus homes, industrial and wholesale users; (2) losses of water through distribution main breaks prior to detection and repair; (3) losses through minor joint leaks that are not readily detectable; (4) use of water for firefighting, hydrant testing, system flushing, street cleaning and other public health, safety and welfare purposes; and (5) other unmetered uses. Unaccounted for water as a percentage of water pumped for distribution according to the Board's Annual Report of the Consulting Engineer for fiscal year ended June 30, 2011 was 6.02 percent. This is well below the 15 percent maximum recommended by the WV Public Service Commission. It is projected to be about the same for the current year. As stated previously, the Board has begun an active effort to replace valves and mains to reduce unaccounted for water losses.

Distribution problems have been and are being ameliorated through the above-described projects, other maintenance projects, proposed future improvements to distribution storage reservoirs and a proposed ongoing improvement program of distribution main replacement and reinforcement.

The Board is continually replacing values and sections of distributions and transmission mains throughout the system.

Future Capital Improvements

Future System improvements have been suggested by consulting engineers on the basis of analyses of System condition and future water demand. Suggested future improvements include a new distribution storage reservoir and 7,200 linear feet of twelve inch and sixteen inch water distribution mains. The present cost of these proposed future improvements, excluding costs of financing, if any, is estimated to be $1,735,000. In addition, the consulting engineers have proposed an ongoing improvement program to replace old and undersized water distribution mains, at an estimated annual cost of $120,000. The Board has determined to undertake the ongoing improvement program. Also, the consulting engineers state that the water treatment facilities may be expanded to treat up to 12 MGD, the projected 2020 maximum daily demand, upon installation of additional pumps at an estimated current cost of $150,000, and are designed to facilitate an increase to 15 MGD at an estimated additional current cost of $1,000,000. The Board's consulting engineers have advised that these suggested improvements, subject to unforeseen circumstances and periodic review, should assure adequate water service through 2020.

As of the date hereof, the Board projects that it should be able to fund necessary maintenance and any future capital improvements from internally generated cash flow.

Therefore, as of the date hereof, the Board does not anticipate incurring any additional debt to fund capital improvements.

Service Area

The System provides both retail and wholesale service. The retail service area consists of the City and certain limited adjacent areas of Harrison County. This retail service area occupies approximately nine square miles and contains approximately 16,580 people. The System also serves 14 wholesale customers that provide retail service in parts of Harrison County occupying approximately 15 square miles and containing approximately 49,420 persons. Thus the aggregate area of the combined retail and wholesale service areas is approximately 23 square miles, and the entire population served by retail service and through wholesale supply is approximately 66,000 persons as of April 2010.

Following consistent population growth during the first half of the twentieth century, the populations of the retail and wholesale service areas began to decline during the decade beginning in 1950. The Board attributes this decline generally to the migration of area population from the City to the outlying areas of Harrison County. Wholesale service area population resumed growth during the decade beginning in 1970, and, on the basis of increasing retail residential water consumption; the Board believes that retail service area population has continued to grow. The table below shows the historical and projected service area populations and water consumption in millions of gallons per day, on a retail and wholesale basis and in aggregate. Population growth is expected to continue with the addition of industrial, commercial and government business locating within the System's service area.

Population and Average Daily Consumption Information
Consumption in MGD

Year Ended December 31	Retail Population (1)	Retail Daily Consumption (2)	Wholesale Population (3)	Wholesale Daily Consumption (4)	Total Population (5)	Total Daily Consumption (5)
1970	24,864	3.43	12,896	1.39	37,760	4.82
1980	22,371	3.16	17,629	2.05	40,000	5.21
1990	19,300	2.04	23,700	2.55	43.000	4.59
2001	20,500	2.72	23,500	2.41	43,500	5.13
2010	16,578	1.55	49,420	3.38	66,000	4.93
2020*	16,500	1.49	50,500	3.51	67,000	5.00
2030*	16,500	1.59	52,500	3.51	69,000	5.10

* City projections. Projections as to population are based on studies on population trends performed by the West Virginia Department of Health, as adjusted by the consulting engineers.

(1) Source: Decennial retail population for the City is supplied by the U.S. Census Bureau.
(2) Source: Board records based on metered usage.
(3) Source: Estimates based upon wholesale user filings with the West Virginia Public Service Commission as to numbers of customers (households) served.
(4) Source: Board records based on metered delivery to wholesale customers.
(5) Source: Aggregate estimated retail and wholesale population, and metered daily consumption, respectively. Metered daily consumption excludes from average daily demand water supplied to government uses and unaccounted for water, each attributable to the retail service area only.

The FBI Identification Division headquarters opened its offices in 1993 with the employment of 2,850 people. Grumman Aircraft has opened a facility with employment of approximately 250 people, and Winfield Corporation (a medical supply manufacturer) opened a factory with employment of approximately 150 people. In addition, the Harrison-Marion Airport (formerly the Benedum Airport) in the City of Bridgeport completed a $26 million runway extension in 2000, and the federal government approved a $45 million award for

construction of an Air National Guard center at the Harrison-Marion Airport in 1999. In addition, the Bombardier America Services Corporation located an aircraft maintenance facility at the newly expanded Harrison-Marion Airport in 2000. Bombardier has a major service contract with ComAir, an express service provider for Delta Airlines, to service and maintain its intermediate jet aircraft. Bombardier announced also in 2000 that it had signed a five (5) year contract to provide maintenance for Canadair Jet Fleet Express. These contracts have a significant impact on continued employment and growth of the aerospace maintenance and manufacturing industry in Harrison County.

United Hospital Center, the area's regional hospital facility, relocated to the Bridgeport area in 2011. The Board still provides water through its resale with the City of Bridgeport. Highland Hospital is scheduled to open a new behavioral psychiatric center in downtown Clarksburg which will include 150 beds with space to grow to a 366 bed facility in January 2014. Due to the Marcellus Shale activity in the central West Virginia area additional businesses have located in areas which purchase water from the Board.

Customer Statistics

The following table indicates the numbers of retail residential and commercial, retail industrial, wholesale and private fire protection customers during each of the past 5 fiscal years (2008 – 2012) and projections for the next five fiscal years (2013 – 2017).

Customer Category Summary
Numbers of Customers

Year Ended June 30	Residential and Commercial	Industrial	Wholesale	Private Fire Protection	Government Agencies
2008	8209	10	13	657	57
2009	8039	11	13	657	55
2010	7976	9	13	654	57
2011	8091	8	14	635	57
2012	7852	8	14	610	49
2013	7860	8	14	611	49
2014	7900	8	14	611	50
2015	7940	9	14	613	50
2016	7980	9	14	613	51
2017	8020	9	14	614	51

Source: Board billing records for historical figures and otherwise projections by the Board.

The following table sets forth the ten largest retail water customers of the System, their average daily consumption and the percentages of total average daily retail consumption and total average daily consumption represented by such consumption, for the fiscal year ended June 30, 2012.

Major Retail Users

Customer	Total Annual Consumption (gallons)	Average Daily Consumption (gallons)	% of Total Daily Retail Consumption	% of Total Daily Consumption	Total Annual Water Revenues	% of Total Water Sales Gross Revenues
FBI	55,813,758	152,914	10.347%	3.359%	$ 172,371	2.408%
UCAR Carbon	48,310,000	132,356	8.956%	2.907%	$ 166,580	2.327%
EUROP TEC	8,909,600	24,410	1.652%	0.536%	$ 34,190	0.478%
Heartland	6,999,200	19,176	1.298%	0.421%	$ 30,241	0.422%
Clarksburg Housing	6,962,000	19,074	1.291%	0.419%	$ 27,775	0.388%
J. F. Allen	6,523,400	17,872	1.209%	0.393%	$ 26,248	0.367%
Merrick Eng.	2,269,500	6,218	0.421%	0.137%	$ 11,954	0.167%
Maple View	2,011,500	5,511	0.373%	0.121%	$ 10,106	0.141%
Rosebud	1,814,000	4,970	0.336%	0.109%	$ 9,157	0.128%
Tower Assoc	1,787,500	4,897	0.331%	0.108%	$ 9,037	0.126%
TOTAL	141,400,458	387,399	26.214%	8.509%	$ 497,659	6.952%

Source: City billing records.

Wholesale Contracts

The Board sells water to 14 wholesale users, including 6 municipalities, and 8 public service districts. Wholesale users accounted for 72% of total average daily consumption during the fiscal year ended June 30, 2012, and 46.3% of Gross Revenues during the same period.

Water is furnished to each wholesale user pursuant to a separate written supply agreement. These agreements generally require that the Board deliver to an established metered point of delivery a specified maximum quantity of water, subject to a priority afforded the Board's retail customers. The wholesale users are not required to purchase water exclusively from the Board or to pay for any minimum annual quantity of water. Each wholesale user is required to pay for furnished water, at a rate established by the Board and subject to review and approval by the West Virginia Public Service Commission, upon being billed therefor by the Board. See "THE SYSTEM -- Rates." The wholesale users have not made other provision for supplying water to their respective retail customers, and any alternative provision would entail both substantial capital expenditures for the construction of transmission mains to other water systems or for the construction of water treatment plants and approval by the West Virginia Public Service Commission. The Board does not anticipate cessation of use of System water by any of the wholesale users within the foreseeable future.

There follows a tabular summary of the System's wholesale users and their respective water purchases from the Board.

Clarksburg Water Board
Wholesale User Summary
(Fiscal Year ended June 30, 2012)

Customer	Est. Number Customers (1)	Gallons of Water Purchased (2)	Revenues (3)	Agreement Date	Agreement Expiration Date
City of Bridgeport	4,520	469,783,000	1,266,548	12/8/1992	Indefinite
City of Shinnston	2257	3,323,000	9,425	None	None
Greater Harrison PSD	3,294	109,122,000	309,815	3/12/2009	3/12/2049
Short Line PSD	1,168	72,503,000	205,903	11/14/2006	11/14/2046
Valley of Good Hope PSD	905	82,721,000	234,774	3/12/2009	3/12/2049
Town of Nutter Fort	850	133,157,000	375,849	3/12/1949	Indefinite
City of Stonewood	926	41,986,000	119,107	11/19/2007	11/19/2052
Sun Valley PSD	1,187	111,055,000	315,158	1/2/2010	1/2/2050
Enlarged Hepzibah PSD	829	60,057,000	164,209	8/26/1964	Indefinite
Town of Anmoore	467	40,390,000	114,588	10/6/1953	Indefinite
Summit Park PSD	428	24,256,000	68,718	11/12/1952	Indefinite
East View PSD	309	11,440,000	32,425	4/1/1991	Indefinite
Tri-County Water Assoc. (4)	920	2,900,000	8,113	None	None
City of Salem	809	73,137,000	73,865	3/24/2009	Indefinite
Total	18,869	1,235,825,000	3,298,497		

(1) Source: Annual filings with the Public Service Commission of West Virginia and telephone survey.
(2) Source: City billing records and annual filings with the Public Service Commission of West Virginia.
(3) Source: City billing records and annual filings with the Public Service Commission of West Virginia.
(4) Only 31 customers of the Tri-County system are on a water supply line that can be supplied as a secondary water purchase source by the Tri-County Water Association. The balance on the Tri-County system is supplied by other water agencies.

Administration, Organization and Management

Pursuant to State statute and the City's Charter, the powers and duties established by statute (and in particular the Act) with respect to the construction, acquisition, establishment, improvement, operation, management, maintenance, repair, extension and amplification of the System are vested in the exclusive jurisdiction of the Board, independent of control by the Council of the City and the City's City Manager.

The Board has the authority to fix, regulate and change rates and charges for water service, subject to intervention by the Public Service Commission of West Virginia under certain conditions. See "THE SYSTEM -- Rates." Certain actions required by law or Charter to be taken by the Council of the City in connection with the System, including the enactment of ordinances in connection with the issuance of water revenue bonds, are required to be taken by said Council upon request of the Board. The jurisdiction and authority of the Board may be abolished by Charter amendment.

In 2005 the Clarksburg Water Board was named the Water System of the Year by the WV Rural Water Association. In 2006 the Board was presented with a Community Improvement Award by the Harrison County Chamber of Commerce. The Board is comprised of three residents of the City elected at large to staggered, four-year terms. Board members are prohibited from holding other public office and from employment by the City. Board members currently receive $100 per board meeting.

The System is required to be administered by a full time General Manager appointed by the Board to serve in such capacity for an indefinite term. Duties of the General Manager include appointment and removal of employees, submission and administration of the budget, enforcement of laws pertaining to the System, collection of revenues, purchase of System equipment and supplies, and performance of all other acts required of the chief executive officer of the Board.

System operations are organized as five functions and assigned on that basis to four managers: the Director of Distribution is responsible for distribution system maintenance, with 13 employees, and for customer service, with 4 employees; the Director of Operations and 8 employees are responsible for treatment plant operations; 2 employees are responsible for System engineering; and the Director of Finance and 5 employees are responsible for finance, accounting, billing and collections. Each of the managers of the System reports to the General Manager.

The present Board members and managers of the System are identified below, together with a brief statement of their respective qualifications.

Albert N. Cox, II is a retired Assistant Vice President of Bank One, Clarksburg, West Virginia. He was first elected to the Board on July 1, 2001; his present term expires June 30, 2013. Mr. Cox serves as President of the Board

Charles 0. Thayer, III, C.L.U., is owner of Thayer Realty Rentals, Clarksburg, West Virginia, and is retired from Huntington Investment Company and Thayer Insurance Agency. He was first elected to the Board on July 1, 1999; his present term expires June 30, 2015.

John P. (Jack) Keeley, is retired as the President and Chief Operating Officer of Ground Breakers, Inc., Clarksburg, West Virginia. He was first elected to the Board on July 1, 2001; his present term expires June 30, 2013.

Richard D. Welch was appointed General Manager of the Board on September 1, 2000. Prior to that time, he served as a member of the Board from 1975 to 1997 and was appointed as Distribution Department Coordinator on September 23, 1993. In 2007 Mr. Welch was named System Manager of the Year by the WV Rural Water Association.

John Mayer has been Director of Distribution since 2010. He has served in the System's Distribution Department for 27 years.

Wakem Simon has been Director of Operations since 1999. He served as a supervisor in the System's Distribution Department for 7 years.

Donald L. Summers, Treatment Plant Supervisor, has been Chief Plant Operator since 1999. He has worked at the treatment plant for 36 years and holds a Class IV Public Water Supply Operators Certificate. In 1996 Mr. Summers received the Perkins Boynton Award from WV AWWA as an outstanding water treatment operator.

Linda L. Hughes, CPA, has been Director of Finance since 2010. Prior to that, she held the position of Assistant Director of Finance for 3 years.

Twenty of the 35 full-time employees of the Board belong to a local union affiliated with the American Federation of State, County and Municipal Employees. The present contract with these employees expires June 30, 2015. The Board enjoys a good relationship with its employees.

Rates

Pursuant to the Act, the governing body of a municipality, or independent board charged with such responsibility, must fix minimum rates and charges for the use of its municipal water system and may increase such rates whenever deemed necessary. Such rates and charges are required by the Act to be sufficient at all times to provide for the payment of interest on all bonds issued pursuant to the Act and to create a sinking fund to pay the principal of such bonds as and when the same becomes due, and reasonable reserves therefor, to provide for the repair, maintenance and operation of the waterworks system, to provide an adequate depreciation fund and to make any other payments required or provided for in the applicable bond ordinance.

Chapter 24, Article 2 of the Code of West Virginia, 1931, as amended, provides that rates and charges established by municipally operated utilities shall be just, reasonable, applied without unjust discrimination or preference and based primarily on the costs of providing service. Such rates and charges must be filed with the Public Service Commission of West Virginia (the "PSC") but generally are not subject to regulatory approval. However, any customer (including a wholesale user) of a municipally operated utility aggrieved by a rate change may present to the PSC within 30 days of the adoption of the ordinance providing for the change a petition signed by not less than 25 percent of the customers served by the utility. Within 100 days from the filing of any such petition, a hearing examiner must issue an order approving, disapproving or modifying the rate increase. Such order has the full force and effect of an order issued by the PSC. Also, if a municipally operated utility serves customers outside the boundaries of the municipality, the PSC is empowered to review, approve or modify such rates if, within 30 days of the adoption of the ordinance providing for such rates, a customer (including a wholesale user) alleges that such rates constitute discrimination between customers within and without the municipal boundaries. The PSC may determine the method by which such rates are reviewed and may grant and conduct a new hearing on the matter if the customer of the municipality requests such a hearing.

The following table sets forth the rates and charges effective October 1, 2012:

	Rate or Charge
First 15,000	.749 Per 100 gals
Next 210,000	.503 Per 100 gals
All Over 225,000	.352 Per 100 gals
Wholesale rate per 1000	$ 3.82
Minimum monthly charge (5/8" meter)	$ 22.47
Annual Fee Per Fire Hydrant	$ 207.24

Billing and Collections

The Board renders monthly billings to its residential water customers and monthly billings to its commercial, industrial and wholesale water customers. Payments are due 20 days after the billing date. If a bill remains unpaid beyond the due date, a 10 percent penalty is added to the delinquent account and delinquency procedures are initiated, including the giving of two termination notices and termination of service 30 days after the initial due date. Service on delinquent accounts remains terminated until payment of the account is made. Upon reinstituting service to a previously delinquent account, a reconnection charge of $50.00 is required.

Termination procedures have been in effect for many years. During the fiscal year ended June 30, 2012, service attributable to approximately 750 delinquent accounts was

terminated for nonpayment. Set forth below is a five year summary of the annual accounting provisions made by the Board for doubtful accounts and of the accounts receivable (which may be attributable to preceding years) actually written off in each of the indicated fiscal years.

Summary of Doubtful Accounts

Year Ended June 30	Gross Revenues From Water Sales	Provision for Doubtful Accounts	Accounts Receivable Written Off
2008	$6,161,267	$231,628	$9,273
2009	$6,326,157	$297,202	$4,242
2010	$6,355,861	$98,518	$247,603
2011	$6,837,603	$100,181	$65,279
2012	$7,158,900	$101,557	$40,780

Source: Board billing records.

Deferred payment plans are available for any residential customer who demonstrates an inability to pay a System bill in full and shows that service termination would endanger, such customer's health or safety.

System Budget

The Board prepares and adopts by resolution, at least 45 days preceding the beginning of each fiscal year, a detailed budget of the estimated expenditures for operation and maintenance of the System during that succeeding fiscal year. The annual budget is prepared by the Director of Finance, approved by the General Manager and then presented to the Board for adoption.

All expenditures are approved through a materials requisition and purchase order system. Each order is approved by the Director of Finance, the General Manager and, prior to disbursement of funds, by the accounting department. Checks are approved by the Director of Finance and require two signatures from either the General Manager, Director of Finance or Accounts Payable Clerk.

Public Employees Retirement System

The Board elected in 1974 to participate in the West Virginia Public Employees Retirement System (the "Retirement System"), a state-wide system comprised of the State of West Virginia and such of its political subdivisions as elect participation. Annuity benefits under the Retirement System are financed through employer and member contributions and the investment earnings on such contributions. The Board, as an employer, is obligated to contribute annually to the Retirement System an amount equal to 14 percent of its employee payroll for the preceding year. In addition, since the Board has elected to cover its employees retroactively for the period of their employment by the Board from 1961 to 1973, the Board has made additional contributions in level term payments over a 15 year period in the actuarial equivalent of the amount that would have been contributed, together with the earnings thereon, by the Board had its employees received such retroactive credit and been covered during such period. The following table summarizes the contributions made by the Board to the Retirement System during each of the past five fiscal years.

Retirement System Contributions

	For Fiscal Years Ended June 30				
	2012	2011	2010	2009	2008
Employees Covered	38	39	40	40	41
Board Contribution Rate (%)	14.5	12.5	10.5	10.5	10.5
Board Contributions	$245,674	$212,235	192,973	188,214	177,701

Source: Compiled by Director of Finance of the System from the annual audit reports of Perry & Associates and Tetrick & Bartlett, for the four fiscal years ended June 30, 2012, June 30, 2011, etc.

Method of Accounting

The Board maintains its accounts pertaining to the System on an accrual basis and in accordance with generally accepted accounting principles. The accounting records of the Board have been audited annually for the fiscal years ended June 30, 2012 and 2011 by Perry & Associates, Certified Public Accountants, and June 30, 2010 and 2009 by Tetrick, Bartlett and Co., Certified Public Accountants. See APPENDIX C - AUDITED FINANCIAL STATEMENTS, regarding the fiscal years ended June 30, 2012 and June 30, 2011.

Summary of Historical and Projected Gross Revenues and Expenses

The following two schedules summarize historical revenues and expenses of the System for the two fiscal years ended June 30, 2011 and 2012, and projected revenues and expenses of the System for fiscal years 2013 and 2014.

For fiscal years ended June 30, 2010 and June 30, 2011, the Board's Net Revenues were 79% and 118%, respectively, of the Maximum Annual Debt Service on the Bonds. The Board's non-compliance in 2008, 2009 and 2010 with the 120% rate covenant, as required by the Ordinance authorizing the issuance of the 1992 Bonds and the 2002 Bonds, was the result of the delay in the implementation of rates enacted on March 13, 2007 until November 2007 and higher than expected maintenance expenses coupled with the absence of periodic rate increases. Upon review of the debt service requirements and inflationary increases, a need for increased water rates was realized and placed into effect October 1, 2010. This rate increase, as approved, provides for graduated rate step increases. Additionally in August 2010, the Board borrowed $225,000 from the City to cover debt service payments at the Bond Commission. This loan was repaid in June 2011. The first rate increase was placed into effect October 1, 2010, with subsequent increases on October 1, 2011 and October 1, 2012. The final increase goes into effect on October 1, 2013. The subsequent increases under the approved tariff will be effective October 1 annually through 2013. These subsequent annual rate increases have been estimated to generate additional annual revenues in the following amounts: 2011, $317,543 (4.5%); 2012 $278,721 (3.8%); and 2013, $283,007 (3.7%) respectively. During FY 2012 the Board became compliant with the 120% debt service coverage requirement and by October 1, 2012, was current on both debt service and reserve fund requirements at the Bond Commission. The realized debt service coverage factor for FY 2012 was 136%, which is in excess of that required by the bond ordinances. The Board continues to monitor the actual debt service coverage factor realized, and will monitor revenue and expenditure levels in order to continue to be in compliance with the ordinances. With the support of the debt service reserve funds, the City and the Board have never failed to make timely payments of interest on and principal of all of its outstanding indebtedness.

Revenue generated from water sales accounted for $7.16 million of the $7.64 million total operating revenues in fiscal 2012, compared to $6.83 million of the $7.33 million total operating revenues in fiscal 2011.

The Board's net assets were $18.19 million at the end of fiscal 2012 and $17.02 million at the end of fiscal 2011. Included in the net assets are certain "restricted funds" on deposit with the West Virginia Municipal Bond Commission. These restricted assets consist of a maximum annual debt service requirement (Reserve Funds) and the required payment amounts to meet the current year debt service requirements (Revenue Funds). At the end of fiscal 2012 these restricted assets totaled $1.93 million (Reserve) and $1.33 million (Revenue). At the end of fiscal 2011, these amounts were $1.62 million and $1.29 million respectively.

CLARKSBURG WATER BOARD
Summary Statement of Income and Expenses
Actual Results of Operations
Fiscal Years Ended June 30, 2012 and 2011

	2012	2011
Operating Revenue		
Revenue From Water Sales to Customers	$ 7,158,900	$ 6,837,603
Other Revenue	479,281	490,123
Total Operatiing Revenue	7,638,181	7,327,726
Operating Expenses		
Operating Expenses	4,808,280	4,857,512
Depreciation	705,413	634,083
Total Operating Expenses Including Depreciation	5,513,693	5,491,595
Operating Income	2,124,488	1,836,131
Net Non Operating Revenue/(Expenses)	(947,481)	(821,334)
Net Increase in Assets	$ 1,177,007	$ 1,014,797

Source: Board's Annual Audit

CLARKSBURG WATER BOARD
Summary Statement of Income and Expenses
Projected Results of Operations
Fiscal Years Ended June 30, 2013 and 2014

	2013	2014
Operating Revenue		
Revenue From Water Sales to Customers	$ 7,523,697	$ 7,824,645
Other Revenue	490,971	510,609
Total Operatiing Revenue	8,014,668	8,335,254
Operating Expenses		
Operating Expenses	4,982,649	5,319,591
Depreciation	702,805	723,889
Total Operating Expenses Including Depreciation	5,685,454	6,043,480
Operating Income	2,329,214	2,291,774
Net Non Operating Revenue/(Expenses)	(725,106)	(725,288)
Net Increase in Assets	$ 1,604,108	$ 1,566,486

Source: Board

Historic Coverage Table

The following table sets forth the debt service coverages for the fiscal years 2008 – 2012:

	2008	2009	2010	2011	2012
Operating Revenues	6,593,597	6,977,251	6,954,271	7,327,726	7,638,181
Operating Expenes	5,030,769	5,517,007	5,942,627	5,491,595	5,513,693
Net Income	1,562,828	1,460,244	1,011,644	1,836,131	2,124,488
Add Back:					
Depreciation	678,453	686,813	634,083	634,083	705,413
Interest Income	52,697	61,274	9,253	18,462	16,859
Available for DS	2,293,978	2,208,331	1,654,980	2,488,676	2,846,760
Maximum Annual Debt Service:	2,089,976	2,089,976	2,089,976	2,089,976	2,089,976
Coverage	1.10	1.06	0.79	1.18	1.36

Source: Board Annual Audits

APPENDIX C

FINANCIAL STATEMENTS OF THE CLARKSBURG WATER BOARD

RFP# 11-114
Harrison County

WATER BOARD OF THE CITY OF CLARKSBURG
HARRISON COUNTY
Regular Audit
For the Years Ended June 30, 2012 and 2011

Perry & Associates
Certified Public Accountants, A.C.

WATER BOARD OF THE CITY OF CLARKSBURG
HARRISON COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT

December 14, 2012

Water Board of the City of Clarksburg
1001 S. Chestnut Street
Clarksburg, WV 26301

To the Board:

We have audited the accompanying financial statements of the business-type activities of the **Water Board of the City of Clarksburg,** Harrison County, West Virginia, (the Board), as of and for the years ended June 30, 2012 and June 30, 2011, which collectively comprise the Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Water Board of the City of Clarksburg, as of June 30, 2012 and June 30, 2011 and the respective changes in financial position and cash flows, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2012 on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

Respectfully Submitted,

Perry & Associates CPA's A.C.

Perry & Associates
Certified Public Accountants, A.C.

WATER BOARD OF THE CITY OF CLARKSBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(Unaudited)

In compliance with the Governmental Accounting Standards Board Statement Number 34, *"Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments"* the following management review and analysis has been provided.

This discussion and analysis of the Clarksburg Water Board's (CWB) financial performance is intended to present an overview of the water utility's financial activities for the fiscal year ended June 30, 2012. In addition it is to be reviewed in conjunction with the CWB's financial statements for that same period.

Organization:

The CWB is a Municipal Corporation of the State of West Virginia and was incorporated in 1909.

The CWB was established by the City Charter of the City of Clarksburg, West Virginia. Unlike most cities, the CWB was established as a separate entity of the City of Clarksburg and its financial results and performance should be considered apart from the City. The City Charter established the CWB to have complete jurisdiction and control over the assets, books, revenues, and records of the water utility of the City. The CWB has an elected three-member Board who serves four year terms and is elected by the registered voting residents of the City of Clarksburg.

The CWB appoints the Secretary/Treasurer and General Manager to oversee daily operations of the water utility and advise the Board as required.

Financial Highlights:

The CWB's fixed assets increased as a result of this year's operations. The CWB has an on-going capital improvement program for the repair and/or replacement of water mains, storage reservoirs, and equipment in order to update the utility's infrastructure. During the fiscal year the fixed assets increased $2,009, and the net assets increased $1,177,007 after allowance for the 2012 depreciation expenses totaling $705,413.

The CWB monitors revenue performance monthly, and year to date debt service coverage factors and requirements are considered. The CWB water rates are approved by the Members of the CWB, and regulated by the Public Service Commission of West Virginia.

Revenue generated from water sales accounted for $7.16 million of the $7.64 million total operating revenues in fiscal 2012, compared to $6.83 million of the $7.33 million total operating revenues in fiscal 2011.

Upon review of the debt service requirements and inflationary increases, a need for increased water rates was realized and placed into effect October 1, 2010. This rate increase, as approved, provides for graduated rate step increases. The first rate increase was placed into effect October 1, 2010. The subsequent increases under the approved tariff will be effective October 1 annually through 2013. The subsequent annual rate increases have been estimated to generate additional annual revenues in the following amounts: 2011, $317,543 (4.5%); 2012 $278,721 (3.8%); and 2013, $283,007 (3.7%) respectively.

The CWB adopted a rate resolution for these increased rates and charges and the Public Service Commission of West Virginia issued the approved tariff of rates and charges on September 21, 2010. It is estimated that this increase will bring the CWB into its annual debt service coverage requirements as set forth in the appropriate CWB bond ordinances.

WATER BOARD OF THE CITY OF CLARKSBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(Unaudited)

Overview of the Financial Statements:

This annual report consists of four parts:

1. Management's Discussion and Analysis
2. The Basic Financial Statements
3. Required Supplemental Information
4. Certain Notes and Compliance Tests to the statements

The financial statements are prepared on the accrual basis of accounting. All known and outstanding obligations are accrued to the proper reporting period.

The financial statements also include other notes that explain some of the information in the financial statements and provide more explanatory facts regarding the statements.

Condensed Financial Information:

Condensed financial information from the statements of the net assets as of June 30, 2012 and June 30, 2011; and revenues, expenses and changes in net assets for the years ended June 30, 2012 and June 30, 2011 are as follows:

	2012	2011
Assets		
Current and Other Assets	$ 3,266,680	$ 2,835,073
Restricted Assets	3,558,404	3,203,737
Capital Assets - Net	28,619,356	29,241,695
Total Assets	$ 35,444,440	$ 35,280,505
Liabilities		
Current Liabilities	$ 3,467,172	$ 2,945,359
Long-Term Debt	13,782,961	15,317,846
Total Long Term Debt	17,250,133	18,263,205
Net Assets		
Invested In Capital Assets, Net of Related Debt	13,614,679	12,909,423
Restricted	3,558,404	3,096,943
Unrestricted	1,021,224	1,010,934
Total Net Assets	18,194,307	17,017,300
Total Liabilities and Net Assets	$ 35,444,440	$ 35,280,505

Condensed Financial Information: (Continued)

	2012	2011
Operating Revenue		
Revenue From Water Sales to Customers	$ 7,158,900	$ 6,837,603
Other Revenue	479,281	490,123
Total Operating Revenue	7,638,181	7,327,726
Operating Expenses		
Operating Expenses	4,808,280	4,857,512
Depreciation	705,413	634,083
Total Operating Expenses Including Depreciation	5,513,693	5,491,595
Operating Income	2,124,488	1,836,131
Net Non Operating Revenue/(Expenses)	(947,481)	(821,334)
Net Increase in Assets	$ 1,177,007	$ 1,014,797
Net Assets, Beginning of Year	17,017,300	16,002,503
Net Assets, End of Year	$ 18,194,307	$ 17,017,300

The information contained in the condensed financial information table is used as the basis for the discussion presented on the following pages, surrounding the CWB's activities for the fiscal year ended June 30, 2012 and June 30, 2011.

Financial Analysis of the CWB as a Whole:

As mentioned previously, the CWB as set up by the City Charter of the City of Clarksburg operates as a separate and distinct entity from the City. The charter establishes that, "All the powers now and hereafter conferred upon municipalities by the laws of the state for the operation of a water utility system, and all powers and duties of the city pertaining to the construction, acquisition, establishment, improvement, operation, management, maintenance, and repair of the municipal water system, and the determination of all matters of policy with respect thereto, are vested in, and shall be exercised by the Water Board".

The CWB's net assets were $18.19 million at the end of fiscal 2012 and $17.02 million at the end of fiscal 2011.

Included in the net assets are certain "restricted funds" on deposit with the West Virginia Municipal Bond Commission. These restricted assets require the inclusion of one year's average annual debt service requirement (Reserve Funds) and the required payment amounts to meet the current year debt service requirements (Revenue Funds).

At the end of fiscal 2012 these restricted assets totaled $1.93 million (Reserve) and $1.33 million (Revenue). At the end of fiscal 2011, these amounts were $1.62 million and $1.29 million respectively.

The final fiscal 2012 Budgeted Revenues from water sales actually received was $7.16 million which was 101.25% of the original budgeted amount. Total operating revenues for fiscal year 2011 were $6.83 million, which was 98.51% of the original budgeted amount.

Capital Assets and Debt Administration:

At the end of fiscal 2012, the CWB had $44.34 million in capital assets before depreciation. This amount represents an increase of $2,009 which was expended for infrastructure improvement during the year.

Long Term Debt

At the end of fiscal 2012 the CWB had $13.88 million in outstanding bonds and notes payable. This represents a net decrease from the end of fiscal 2011 in the amount of $0.62 million.

More information about outstanding debt can be found in the financial statements.

Economic Factors and Future Budgets and Rates:

During FY 2012 Clarksburg Water Board became compliant with the debt service coverage factor required by bond ordinances of 1.20. The realized debt service coverage factor for FY 2012 was 1.35, which is in excess of that required by the bond ordinances. The CWB continues to monitor the actual debt service coverage factor realized, and will monitor revenue and expenditure levels in order to continue to be in compliance with the ordinances. As referenced earlier, a rate increase request in the amount of 15.2% was approved and implemented on October 1, 2010 in order to restore bond debt service coverage requirements and meet certain increased costs. A 4.3% rate increase was implemented October 1, 2011. Future pre-approved rate increases will be placed into effect on October 1, 2012 and October 1, 2013 at a rate of 3.2% for each of the two years.

Subsequent Events:

Issues of Non-compliance-Bond Ordinance Requirements:

During this review it was further determined that the Clarksburg Water Board was deficient in meeting certain bond ordinance requirements in relation to funds being held by the Municipal Bond Commission of West Virginia. The CWB has placed into effect a freeze on nonemergency capital project funding until the deficiency has been corrected. In addition, the rate increases placed into effect and mentioned previously will be utilized, in part, to become compliant.

The bond fund deficiency and the bond funds affected are listed in the table on the next page and represent balances, requirements, and deficiencies as of August 27, 2012:

Issues of Non-compliance-Bond Ordinance Requirements: (Continued)

	8/27/2012 Balance	8/27/2012 Requirement	8/27/2012 Surplus (Deficiency)
01-A Revenue	$ 39,442	$ 39,442	$ -
01-A Reserve	134,282	144,910	(10,628)
02 Revenue	271,600	271,600	-
02 Reserve	1,422,065	1,458,657	(36,592)
04-A Revenue	102,447	103,214	(767)
04-A Reserve	141,949	151,380	(9,431)
92 Revenue	1,270,000	1,270,000	-
92 Reserve	263,427	348,980	(85,553)
Total	$ 3,645,212	$ 3,788,183	$ (142,971)

The Clarksburg Water Board, the General Manager, the Director of Finance and staff are determined to take all measures necessary to become compliant with all requirements of the ordinances.

Contacting the CWB's Financial Management Representative:

This financial report is designed to provide our citizens, water customers, investors, and creditors with a general overview of the CWB's finances and to demonstrate the CWB's accountability for the revenues, bond proceeds, and other funds it receives. Any questions regarding the content of this financial analysis statement should be directed to the Director of Finance, Clarksburg Water Board, 1001 South Chestnut Street, Clarksburg, WV 26301.

WATER BOARD OF THE CITY OF CLARKSBURG
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2012 and 2011

	2012	2011
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 633,866	$ 118,520
Investments - Manulife & Prudential	118,593	165,803
Receivables, Net of Allowance:		
Trade (Net of Allowance for Doubtful Accounts of $101,557 in 2012 and $100,181 in 2011)	1,307,503	1,254,174
Other (Net of Allowance for Doubtful Accounts of $2,000 in 2012 and $1,777 in 2011)	16,159	69,691
Inventory	205,436	133,993
Prepaid Expenses	33,870	38,792
Total Current Assets	2,315,427	1,780,973
Restiricted Assets		
Cash & Temporary Investments	298,965	294,332
State Sinking Fund	3,259,439	2,909,405
Total Restricted Assets	3,558,404	3,203,737
Capital Assets		
Land and Land Rights	249,951	249,951
Non-Utility Property	35,136	35,136
Reservoirs	5,389,846	5,389,846
Structures and Improvements	16,928,977	16,928,977
Transmission and Distribution Mains	15,156,008	15,106,427
Equipment	6,579,153	6,626,725
Less: Accumulated Depreciation	(15,719,715)	(15,095,367)
Total Capital Assets (Net of Accumulated Depreciation)	28,619,356	29,241,695
Other Assets		
Unamortized Bond Discount and Issue Costs	851,723	954,570
Preliminary Survey and Investigation Costs	87,994	87,994
Rate Case	11,536	11,536
Total Other Assets	951,253	1,054,100
TOTAL ASSETS	$ 35,444,440	$ 35,280,505
LIABILITIES AND NET ASSETS		
Liabilities		
Current Liabilities (Payable from Current Assets)		
Accounts Payable and Other Accrued Liabilities	$ 820,464	$ 785,663
Other Post Employment Benefits	947,675	652,307
Refund Payable	2,479	2,610
Total Current Liablities (Payable from Current Assets)	1,770,618	1,440,581
Current Liabilities (Payable from Restricted Assets)		
The accomp Current Portion of Note Payable to City of Clarksburg	60,000	60,000
Current Portion of Bonds Payable	541,328	558,702
Accrued Bond Interest Payable	970,415	779,282
Customer Deposits	120,155	102,138
Construction Deposits	4,656	4,656
Total Current Liabilities (Payable from Restricted Assets)	1,696,554	1,504,778
Long-Term Liabilities (Net of Current Portion)		
Compensated Absences	221,167	239,079
Note Payable to City of Clarksburg	257,806	317,806
Accrued Capital Appreciation Bond Interest (Payable from Restricted Assets)	157,862	1,057,889
Bonds Payable (Payable from Restricted Assets)	13,017,266	13,558,593
Total Long-Term Liabilities (Net of Current Portion)	13,654,101	15,173,367
Non Current Liabilities		
Unamortized Bond Premium	128,860	144,479
Total Liabilities	17,250,133	18,263,205
Net Assets		
Invested in Capital Assets, Net of Related Debt	13,614,679	12,909,423
Restricted	3,558,404	3,096,943
Unrestricted	1,021,224	1,010,934
Total Net Assets	18,194,307	17,017,300
TOTAL LIABILITIES AND NET ASSETS	$ 35,444,440	$ 35,280,505

The accompanying notes are an integral part of the basic financial statements.

WATER BOARD OF THE CITY OF CLARKSBURG
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEARS ENDING JUNE 30, 2012 and 2011

	2012	2011
Operating Revenues:		
Water Sales	$ 7,158,900	$ 6,837,603
Billing and Collections	109,333	75,929
Fire Protection	216,813	216,866
Other Income	132,120	174,792
Rental Income	20,015	16,500
Gain on Disposal of Assets	1,000	6,036
Total Operating Revenue	7,638,181	$ 7,327,726
Operating Expenses:		
Treatment Expenses	1,598,286	1,735,096
Distribution Expenses	1,318,042	1,273,876
Engineering Expenses	238,859	224,692
Customer Accounting and Collection	572,036	487,994
General and Administrative	1,081,057	1,135,854
Depreciation	705,413	634,083
Total Operating Expenses	5,513,693	5,491,595
Operating Income/(Loss)	2,124,488	1,836,131
Non-Operating Revenues (Expenses):		
Change in the Fair Value of Investments	(47,210)	(29,423)
Interest and Dividends	16,859	18,462
Interest and Fiscal Charges	(834,420)	(727,693)
Amortization of Bond Discount and Issue Costs	(102,847)	(102,847)
Amortization of Bond Premium	15,620	15,620
Nonoperating Miscellaneous	4,517	4,547
Total Non-Operating Revenues (Expenses)	(947,481)	(821,334)
Change in Net Assets	$ 1,177,007	$ 1,014,797
Net Assets, Beginning of Year	17,017,300	16,002,503
Net Assets, End of Year	$ 18,194,307	$ 17,017,300

The accompanying notes are an integral part of the basic financial statements.

WATER BOARD OF THE CITY OF CLARKSBURG
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2012 and 2011

	2012	2011
Cash Flows from Operating Activities:		
Receipts from customers	$ 7,322,384	$ 7,047,575
Receipts from other sources	315,000	177,302
Payments to suppliers	(2,317,384)	(2,587,094)
Payments to employees	(1,842,672)	(1,860,078)
Payments for taxes, other than income tax	(384,707)	(353,857)
Net cash provided (used) in operating activities	3,092,622	2,423,848
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of property and equipment	(83,074)	(18,285)
Decrease (increase) in preliminary survey costs	-	(3,220)
Cost of Rate Case	-	(11,537)
Principal paid on bonds	(558,702)	(581,282)
Interest paid on bonds and notes payable	(1,543,313)	(1,520,823)
Payments on notes payable	(60,000)	(60,000)
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,245,089)	(2,195,147)
Cash Flows from Investing Activities:		
Decrease (Increase) in Restricted Assets	(354,667)	(767,291)
Interest Income	16,859	18,462
Proceeds from Sale of Equipment	1,000	6,036
Miscellaneous	4,621	4,547
Contributions in Aid of Construction	-	4,565
Net Cash Provided (Used) by Investing Activities	(332,187)	(733,681)
Net Increase (Decrease) in Cash and Cash Equivalents	515,346	(504,980)
Cash and Cash Equivalents at Beginning of Year	118,520	623,500
Cash and Cash Equivalents at End of Year	$ 633,866	$ 118,520
Adjustments to Reconcile Operating Income to Cash Flows from Operating Activities:		
Operating Income (Loss)	$ 2,124,488	$ 1,836,131
Depreciation	705,413	634,083
(Increase) decrease in:		
Accounts receivable - trade	(53,329)	(38,288)
The accomp Accounts receivable - other	53,532	(46,204)
Inventory	(71,443)	(17,884)
Prepaid expenses	4,923	2,915
Increase (decrease) in:		
Accounts payable and accrued expenses	330,169	51,865
Construction Deposits	-	4,656
Refund Payable	(131)	2,610
(Gain) Loss on Disposal of Assets	(1,000)	(6,036)
Net cash provided by (used in) operating activities	$ 3,092,622	$ 2,423,848

The accompanying notes are an integral part of the basic financial statements.

1. Summary of Significant Accounting Policies

The Water Board of the City of Clarksburg (the Board), was established in 1909 by act of legislature and is provided for by the Charter for the City of Clarksburg (the "City") and the Official West Virginia Code of 1931, as amended. The Board consists of three elected members and, as authorized by the City Charter, manages and maintains the City's water purification and distribution systems independent of control by the Council of the City and the City Manager.

The accounting policies of the Board conform to generally accepted accounting principles applicable to governmental units. The Board complies with accounting principles generally accepted in the United States of America and applies all relevant Government Accounting Standards Board (GASB) pronouncements. In addition, the Board applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

A. Financial Reporting Entity

The Board complies with GASB Statement No. 14, *"The Financial Reporting Entity."* This statement establishes standards for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Board considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include in the Board's financial statements.

B. Basis of Presentation

The Board's fund is an enterprise fund. Enterprise funds are proprietary funds used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe *which* transactions are recorded within the various financial statements. Basis of accounting refers to *when* transactions are recorded regardless of the measurement focus applied.

The proprietary funds utilize an *"economic resources"* measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

1. **Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus and Basis of Accounting (Continued)

All Proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Board's enterprise fund is charges to customers for water sales and service. The Board also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Cash Equivalents

Cash on hand and deposits with banking institutions either in checking, savings, or money market accounts are presented as cash in the accompanying financial statements. Such deposits at June 30, 2012 and 2011 were entirely covered by federal depository insurance or secured by adequate bond or other securities held by the banking institution in the Board's name. The carrying amount of cash accounts at June 30, 2012 was $633,866, while the bank balance was $664,437. The carrying amount of cash accounts at June 30, 2011 was $118,520, while the bank balance was $300,552.

Investments and restricted assets are stated at cost, which approximates market.

E. Restricted Cash Investments

These accounts represent amounts that are restricted in their use. The Debt Service and Debt Reserve Funds are requirements of the bond indentures.

F. Accounts Receivable - Customers

The Board uses the allowance method of recognizing bad debts and a provision of $101,557 and $100,181 has been established for uncollectible accounts at June 30, 2012 and June 30, 2011, respectively.

G. Inventory

Inventory values are determined on the average cost method and are stated at the lower of cost or market.

H. Capital Assets

Capital assets are recorded at cost which includes labor, materials, services and interest on funds used during construction and other indirect costs. Depreciation of all exhaustible capital assets used by the Board is charged as an expense against operations and accumulated depreciation is reported on the Board's balance sheet. Depreciation has been provided for over the estimated useful lives using the straight-line method at rates of 1½ to 20% per year.

1. **Summary of Significant Accounting Policies (Continued)**

I. Preliminary Survey and Investigation Cost

Preliminary survey and investigation costs represent expenditures for preliminary surveys, plans and investigation for determining the feasibility of contemplated projects. When project construction is completed, these costs will be capitalized as part of capital assets, or if the project is rejected, these costs will be charged to expense in the year the project is rejected.

J. Amortization

Debt discount and expense on bonds is amortized on the straight-line method from the date of issuance to the date of maturity.

K. Customer Deposits

Customer deposits are refunded after bills for services have been paid for twelve consecutive months.

L. Concentration of Credit Risk

Water Board of the City of Clarksburg is a utility providing water services to residential, commercial, and governmental entities in Harrison County, West Virginia. The Board grants credit to all of its customers on a monthly basis.

M. Equity Classifications

Equity is classified as net assets and displayed in three components:

a. Invested in capital assets, net of related debt - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets

b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation

c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

N. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Board's deposits may not be returned to it. It is the Board's policy for deposits to be 100% secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation Insurance.

The Board's deposits are categorized to give an indication of the level of risk assumed by the Board at June 30, 2012 and 2011. The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3 - Uncollateralized.

June 30, 2012

Non-Pooled Deposits	Bank Balance	Category 1	Category 2	Category 3	Carrying Amount
Checking and Money Market	$ 664,437	$ 250,000	$ 414,437	$ -	$ 632,607

June 30, 2011

Non-Pooled Deposits	Bank Balance	Category 1	Category 2	Category 3	Carrying Amount
Checking and Money Market	$ 300,552	$ 250,000	$ 50,552	$ -	$ 117,261

Additionally, the cash on hand of $1,259 at June 30, 2012 and June 30, 2011 was included in cash on the statement of net assets.

3. Investments

The December 17, 1992 and July 11, 2002, bond ordinances authorize the Board to invest all bond proceeds in obligations of the United States and certain of its agencies, certificates of deposit, public housing bonds, direct and general obligations of states which are rated in the highest categories by Standard and Poor's Corporation and Moody's Investors Service, and repurchase agreements relating to certain securities. Sinking fund investments are managed by the West Virginia Municipal Bond Commission.

Investments made by the Board are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the three categories described on the next page at June 30, 2012 and 2011:

Category 1 -Insured or registered, or securities held by the Board or its agent in the Board's name.

Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Board's name.

Category 3 - Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Board's name.

June 30, 2012

	Category 1	Category 2	Category 3	Carrying Amount	Market Value
Other temporary cash Investments	$ 298,965	$ -	$ -	$ 298,965	$ 298,965
Investments in Municipal Bond Commission	3,259,439	-	-	3,259,439	3,259,439
Other investments - Manulife and Prudential Stock	118,593	-	-	118,593	118,593
Total investments	$ 3,676,997	$ -	$ -	$ 3,676,997	$ 3,676,997

June 30, 2011

	Category 1	Category 2	Category 3	Carrying Amount	Market Value
Other temporary cash Investments	$ 294,332	$ -	$ -	$ 294,332	$ 294,332
Investments in Municipal Bond Commission	2,909,405	-	-	2,909,405	2,909,405
Other investments - Manulife and Prudential Stock	165,803	-	-	165,803	165,803
Total investments	$ 3,369,540	$ -	$ -	$ 3,369,540	$ 3,369,540

3. Investments (Continued)

Interest Rate Risk: The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: The Board is authorized to provide excess funds to either the State Investment Pool or the Municipal Bond Commission for investment purposes, or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit and repurchase agreements. The Board has no investment policy that would further limit its investment choices.

Concentration of Credit Risk: The Board places no limit on the amount the Board may invest in anyone issuer. 100% of the Board's investments are in Investment in the State investment pool.

As of February 1, 2000 the Board was granted shares in John Hancock Financial Services, Inc. (JHF) as compensation for surrendering membership rights in John Hancock Mutual Life Insurance Company. Then on December 18, 2001, the Board was granted shares in Prudential Financial, Inc. as compensation for surrendering membership rights in Prudential Financial. Furthermore, on September 28, 2003 a merger between John Hancock and Manulife Financial Corporation was approved. Therefore the shares of John Hancock Financial were converted to Manulife Financial (MLF).

4. Capital Assets

Capital assets activity for the years ended June 30, 2012 and 2011 was as follows:

June 30, 2012

	Balance at 7/1/2011	Additions	Deletions	Balance at 6/30/2012
Capital assets, not being depreciated:				
Land and land rights	$ 249,951	$ -	$ -	$ 249,951
Non-utility property	35,136	-	-	35,136
Total capital assets, not being depreciated	285,087	-	-	285,087
Capital assets being depreciated:				
Reservoirs	5,389,846	-	-	5,389,846
Structures and improvements	16,928,977	-	-	16,928,977
Transmission and distribution mains	15,106,427	49,581	-	15,156,008
Equipment	6,626,725	33,493	81,065	6,579,153
Total capital assets, being depreciated	44,051,975	83,074	81,065	44,053,984
Less: Accumulated Depreciation:				
Reserviors	(347,005)	(80,847)	-	(427,852)
Structures and improvements	(6,263,839)	(253,935)	-	(6,517,774)
Transmission and distribution mains	(7,177,989)	(227,127)	-	(7,405,116)
Equipment	(1,306,534)	(143,504)	(81,065)	(1,368,973)
Less accumulated depreciation	(15,095,367)	(705,413)	(81,065)	(15,719,715)
Total capital assets being depreciated, net	28,956,608	(622,339)	-	28,334,269
Total capital assets, net	$ 29,241,695	$ (622,339)	$ -	$ 28,619,356

4. Capital Assets (Continued)

June 30, 2011

	Balance at 7/1/2010	Additions	Deletions	Balance at 6/30/2011
Capital assets, not being depreciated:				
Land and land rights	$ 249,951	$ -	$ -	$ 249,951
Non-utility property	35,136	-	-	35,136
Total capital assets, not being depreciated	285,087	-	-	285,087
Capital assets being depreciated:				
Reservoirs	5,389,846	-	-	5,389,846
Structures and improvements	16,925,098	3,879	-	16,928,977
Transmission and distribution mains	15,098,110	8,317	-	15,106,427
Equipment	6,638,568	6,089	17,932	6,626,725
Total capital assets, being depreciated	44,051,622	18,285	17,932	44,051,975
Less: Accumulated Depreciation:				
Reserviors	(333,279)	(13,726)	-	(347,005)
Structures and improvements	(6,016,808)	(247,031)	-	(6,263,839)
Transmission and distribution mains	(6,951,588)	(226,401)	-	(7,177,989)
Equipment	(1,177,540)	(146,925)	(17,932)	(1,306,534)
Less accumulated depreciation	(14,479,215)	(634,083)	(17,932)	(15,095,367)
Total capital assets being depreciated, net	29,572,407	(615,798)	-	28,956,608
Total capital assets, net	$ 29,857,494	$ (615,798)	$ -	$ 29,241,695

5. Long Term Debt

The following is a summary of bonds payable at June 30, 2012 and 2011:

June 30, 2012

	Issue Date	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due After One Year
a. Waterworks Improvements Refunding Revenue Bonds Series 1992	1993	$ 705,282	$ -	$ 364,426	$ 340,856	$ 340,856	$ -
b. Water Revenue Bonds - Series 2001A	2001	1,398,571	-	117,819	1,280,752	120,193	1,160,559
c. Water Refunding Revenue Bonds - Series 2002	2002	10,515,000	-	-	10,515,000	-	10,515,000
d. Water Revenue Bonds - Series 2004A	2004	1,498,442	-	76,456	1,421,986	80,279	1,341,707
Total long-term debt		$ 14,117,295	$ -	$ 558,701	$ 13,558,594	$ 541,328	$ 13,017,266

June 30, 2011

	Issue Date	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due After One Year
a. Waterworks Improvements Refunding Revenue Bonds Series 1992	1993	$ 1,098,258	$ -	$ 392,976	$ 705,282	$ 364,427	$ 340,855
b. Water Revenue Bonds - Series 2001A	2001	1,514,061	-	115,490	1,398,571	117,819	$ 1,280,752
c. Water Refunding Revenue Bonds - Series 2002	2002	10,515,000	-	-	10,515,000	-	$ 10,515,000
d. Water Revenue Bonds - Series 2004A	2004	1,571,258	-	72,816	1,498,442	76,456	$ 1,421,986
Total long-term debt		$ 14,698,577	$ -	$ 581,282	$ 14,117,295	$ 558,702	$ 13,558,593

5. Long Term Debt (Continued)

Waterworks Improvement and Refunding Revenue Bonds -Series 1992

During the year ended June 30,1993, the City of Clarksburg issued $25,500,405 of Waterworks Improvement and Refunding Revenue Bonds, Series 1992 to: (i) refund the City's Waterworks Improvement and Refunding Revenue Bonds, Series 1985 and Waterworks Revenue Bonds, Series 1986, (ii) fund a reserve account for the Series 1992 Bonds, (iii) pay certain costs of issuance, and (iv) pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements for the City's existing waterworks system. The Bonds are special obligations of the City and are secured by the revenues of the waterworks system, moneys in the sinking and depreciation funds, and unexpended proceeds of the Bonds.

Interest on $23,530,000 of current interest bonds is payable on each March 1 and September 1 at rates ranging from 3.25% to 6.25%. Interest on $1,970,405 of capital appreciation bonds is compounded on each March 1 and September 1 at rates ranging from 6.70% to 6.80% and is payable at maturity. The aggregate maturity amount of the capital appreciation bonds, or $6,350,000, is due in amounts of $1,270,000 annually from September 1, 2010 through 2012. The current interest bonds are subject to redemption prior to maturity.

On July 25, 2002, the City of Clarksburg issued $16,260,000 of Water Refunding Revenue Bonds, Series 2002 with interest rates ranging between 1.6% and 5.25%. The Bonds were issued by the City of Clarksburg to provide funds (i) to refund a portion of the Issuer's Waterworks Improvement and Refunding Revenue Bonds, Series 1992, consisting of the Current Interest Bonds in the principal amount of $17,375,000 and (ii) to pay costs of issuing the Bonds.

The advance refunding reduced the total debt service payments over the next 20 years by $2,071,816. This resulted in an economic gain (difference between the present values of the debt service payments on the old and the new debt) of $1,305,150.

The payment of the principal of and interest on the bonds is insured under the terms of a financial guaranty insurance policy by Asset Guaranty Reinsurance Company.

The principal balance at June 30, 2012 was $340,856 and $705,282 as of June 30, 2011.

Future maturities of bond principal and interest on Board indebtedness at June 30, 2012 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2013	$ 340,856	$ 929,145	$ 1,270,001
Total	$ 340,856	$ 929,145	$ 1,270,001

5. Long Term Debt (Continued)

Water Revenue Bonds – Series 2001A

During the years ended June 30, 2002 and 2001 the City of Clarksburg issued $2,383,850 of Water Revenue Bonds Series 2001A. These bonds are for 20 years and have a stated interest rate of 2% and 1 % administrative fee payable quarterly, payments starting June 1, 2002. These bonds were issued to (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer; and (ii) to pay certain costs of issuance of the Bonds of this Series and related costs.

Principal balance was $1,280,752 at June 30, 2012 and $1,398,571 at June 30, 2011.

These bonds are payable only from and secured by a pledge of the Gross Revenues to be derived from the operation of the system.

Future maturities of bond principal and interest on this indebtedness at June 30, 2012 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2013	$ 120,193	$ 24,718	$ 144,911
2014	122,615	22,295	144,910
2015	125,086	19,825	144,911
2016	127,606	17,304	144,910
2017-2021	677,648	46,899	724,547
2022	107,604	1,078	108,682
Total	$ 1,280,752	$ 132,119	$ 1,412,871

Water Refunding Revenue Bonds – Series 2002

On July 25, 2002, the City of Clarksburg issued $16,260,000 of Water Refunding Revenue Bonds, Series 2002. The Bonds are being issued by the City of Clarksburg to provide funds (i) to refund a portion of the Issuer's Waterworks Improvement and Refunding Revenue Bonds, Series 1992, consisting of the Current Interest Bonds in the principal amount of $17,375,000 and (ii) to pay costs of issuing the Bonds.

These bonds are payable solely from and secured by the Gross Revenues of the waterworks system and moneys held in certain sinking funds by the West Virginia Municipal Bond Commission.

Interest on $7,025,000 of Serial Bonds is payable on each March 1 and September 1 at rates ranging from 1.60% to 4.25% through 09/01/13. Interest on $9,235,000 of Term Bonds is payable on each March 1 and September 1 at 5.25% through 09/01/19. These Bonds are subject to redemption prior to maturity.

5. Long Term Debt (Continued)

Water Refunding Revenue Bonds – Series 2002 (Continued)

The principal balance was $10,515,000 at June 30, 2012 and $10,515,000 at June 30, 2011

The payment of the principal and interest on these bonds is insured under the terms of a financial guaranty insurance policy issued by Financial Guaranty Insurance Company

Future maturities of bond principal and interest on Board indebtedness at June 30, 2012 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2013	$ -	$ 537,638	$ 537,638
2014	1,280,000	511,237	1,791,237
2015	1,345,000	449,531	1,794,531
2016	1,415,000	377,081	1,792,081
2017-2020	6,475,000	701,794	7,176,794
Total	$ 10,515,000	$ 2,577,281	$ 13,092,281

Water Revenue Bonds – Series 2004A

During the year ended June 30, 2005 the City of Clarksburg issued $1,885,764 of Water Revenue Bonds Series 2004A. These bonds are for 20 years and have a stated interest rate of 5%. Principal will be paid annually beginning October 1, 2005 and semi-annual interest payments began on October 1, 2004. These bonds were issued to (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer; and (ii) to pay certain costs of issuance of the Bonds of this Series and related costs.

Principal balance was $1,421,986 at June 30, 2012 and $1,498,442 at June 30, 2011.

These bonds are payable only from and secured by a pledge of the Gross Revenues to be derived from the operation of the system.

Future maturities of bond principal and interest on this indebtedness at June 30, 2012 are as follows on the following page:

5. Long Term Debt (Continued)

Water Revenue Bonds – Series 2004A (Continued)

Fiscal Year Ending	Principal	Interest	Total
2013	$ 80,279	$ 69,092	$ 149,371
2014	84,293	64,978	149,271
2015	88,508	60,658	149,166
2016	92,933	56,122	149,055
2017-2021	539,191	204,222	743,413
2022-2025	536,782	55,314	592,096
Total	$ 1,421,986	$ 510,386	$ 1,932,372

The Debt Service Coverage Factor has been calculated as follows for the years ended June 30, 2012 and 2011:

	2012	2011
Operating revenues	$ 7,638,181	$ 7,327,726
Operating expenses	5,513,693	5,491,595
Operating income	2,124,488	1,836,131
Add: Depreciation Expense	705,413	634,083
Interest and dividend income - allowed	16,859	18,462
Amounts available for debt service and capital expenditures	$ 2,846,760	$ 2,488,676
Maximum annual debt service	$ 2,102,430	$ 2,102,430
Calculated debt service coverage factor	1.35	1.18
Required debt service coverage factor	1.20	1.20

Based on this calculation, it appears that the Board was in compliance with the provisions set forth in the Bond Ordinance for the Waterworks Improvement and Refunding Revenue Bonds, Series 1992, Water Revenue Bond -Series 2001A, Water Refunding Revenue Bonds - Series 2002 and Water Revenue Bond -Series 2004A, as of June 30, 2012.

6. Note Payable to the City of Clarksburg

The note payable to the City of Clarksburg represents funds borrowed from the City of Clarksburg to aid in construction of the extension project required for the new FBI facility. The note does not bear interest and the maximum borrowing limit under the note is $1,200,000. The Water Board shall not be obligated to pay sums except from "surplus revenues" which may or may not be available in future years beginning January 1, 1999 at $5,000 per month. Future repayments are scheduled as follows:

City of Clarksburg - Notes Payable

2013	$	60,000
2014		60,000
2015		60,000
2016		60,000
2017		60,000
2018		17,806
Total	$	317,806

7. Rental Income

The Board leases an office situated at 432 West Main Street under an operating lease. The lease terms are $1,500 per month beginning April 2010 and ending March 2015. The following is a schedule of future minimum rental income under this lease as of June 30, 2012:

Rental Income

2013		18,000
2014		18,000
2015		12,000
Total	$	48,000

8. Employee Retirement System

The Water Board of the City of Clarksburg elected to become a participating public employer under the West Virginia Public Employees' Retirement System for the coverage of all eligible employees. The plan is funded through employer contributions of 14.5% of payroll and member contributions of 4.5% of payroll.

The Water Board of the City of Clarksburg's contribution to the West Virginia Public Employees Retirement System for the years ended June 30, 2012 and 2011 was:

June 30, 2012

Percentage of Payroll	Total Wages	Covered Wages	Amount
Employer Share - 14.5%	$ 1,811,934	$ 1,694,304	$ 245,674
Employee Share - 4.5%	$ 1,811,934	$ 1,694,304	$ 76,244
Total contribution			$ 321,918

June 30, 2011

Percentage of Payroll	Total Wages	Covered Wages	Amount
Employer Share - 12.5%	$ 1,817,345	$ 1,697,876	$ 212,235
Employee Share - 4.5%	1,817,345	1,697,876	$ 76,404
Total contribution			$ 288,639

8. Employee Retirement System (Continued)

The following is a summary of eligibility factors, contributions methods, and benefits provisions:

	Public Employees' Retirement System (PERS)
Eligibility to participate	All Board full-time employees, except those covered by other pension plans
Authority establishing contributions obligations and benefits provision	State Statue
Plan member's contribution rate	4.50%
Boards contribution rate	14.5%
Period required to vest	Five years
Benefit and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contribution service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 10) times the years of service times 2% equals the annual retirement benefit.
Deferred retirement portion	No
Provision for:	
Cost of living	No
Death benefits	Yes

PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees Retirement System, 4101 MacCorkle Avenue, SE, Charleston, WV 25304-1636.

9. Retiree Health Plan (RHP)

Plan Description

The Water Board of the City of Clarksburg, West Virginia contributes to the West Virginia Retiree Health Benefits Trust Fund (RHBT), a cost-sharing, multiple-employer defined benefit post-employment health care plan administered by the West Virginia Public Employees Insurance Agency (PEIA). RHBT provides medical benefits to eligible retired employees of participating employers. Eligibility is primarily established through participation in certain defined benefit plans. RHBT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: West Virginia Retiree Health Benefits Trust, 4101 MacCorkle Avenue, SE, Charleston, WV 25304-1636.

9. Retiree Health Plan (RHP) (Continued)

Authority Established the Plan and Fund Policy:

Chapter 5, Article 16D of the West Virginia State Code assigns the authority to establish and amend benefits and provisions to the RHBT. Plan members are currently required to contribute $167.00 per month per active health policy. Participating employers are contractually required to contribute at a rate assessed each year by RHBT. The RHBT board sets the employer contribution rate based on the annual required contributions of the plan (ARC), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

Annual requried contributions	$ 295,368
Adjustment to annual required contribution	-
Annual OPEB cost	295,368
Contributions made	-
Increase (decrease) in net OPEB obligation	295,368
Net OPEB obligation (asset) beginning of year	652,307
Net OPEB obligation (asset) end of year	$ 947,675

Four-Year Trend Information

The Board contributed the following amounts:

Year Ending Obligation (Asset)	Annual OPEB Cost	Percentage of AOC	Net OPEB
June 30, 2012	$ 295,368	0%	$ 947,675
June 30, 2011	307,188	0%	652,307
June 30, 2010	333,596	0%	345,119
June 30, 2009	93,908	88%	11,523

10. Related Party Transactions

Sanitary Board of the City of Clarksburg

The Board provides billing and collection services for the Sanitary Board of the City of Clarksburg. The following transactions as shown on the following page took place with the Sanitary Board for the years ended June 30, 2012 and 2011:

10. Related Party Transactions (Continued)

Sanitary Board of the City of Clarksburg (Continued)

	2012	2011
Fees for collection and administrative services	$ 100,000	$ 75,929
Collection and remittances on Sanitary Board trade receivables	$ 3,071,392	$ 2,731,670

City of Clarksburg

The Board provides collection services for the utility taxes for the City of Clarksburg. The following transactions took place with the City of Clarksburg for utility taxes for the years ended June 30, 2012 and 2011:

	2012	2011
Collections and remittances on the Utility Tax trade receivables	$ 111,358	$ 100,161

11. Credit Concentration

The Board's revenues are generated from the provision of water utility services to the residents of Clarksburg, West Virginia, as well as the residents of the rural areas of Harrison County, West Virginia, surrounding that city. The ultimate collection of the accounts receivable resulting from the Board's revenues is dependent upon the residents' income and payment ability.

12. Risk Management

The Board is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injury to employees and natural disasters. Any significant risk of loss is covered by commercial insurance. There were no significant changes in insurance coverage and no settlements that exceeded insurance coverage for each of the past three years.

13. Contingencies

Amounts grantor agencies pay to the Board are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

14. Subsequent Events

The Board has evaluated events subsequent to the date of the financial statements through the date of this report. No events have occurred subsequent to the date of the financial statements through the date of this report that would require adjustment or additional disclosure in the financial statements.

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INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

December 14, 2012

Water Board of the City of Clarksburg
1001 S. Chestnut Street
Clarksburg, WV 26301

To the Board:

We have audited the financial statements of the business-type activities of the **Water Board of the City of Clarksburg**, Harrison County, West Virginia, (the Board), as of and for the years ended June 30, 2012 and June 30, 2011, which collectively comprise the Board's basic financial statements and have issued our report thereon dated December 14, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards.*

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not to opine on the effectiveness of the Board's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Board's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Board's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Board's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of audit findings as item 2012-001.

The Board's response to the finding identified in our audit is described in the accompanying schedule of audit findings. We did not audit the Board's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of management, the Board of Directors of the Water Board of the City of Clarksburg, grantors, and others within the Board. We intend it for no one other than these specified parties.

Respectfully Submitted,

Perry & Associates
Certified Public Accountants, A.C.

WATER BOARD OF THE CITY OF CLARKSBURG
CLARKSBURG, WEST VIRGINIA

SCHEDULE OF AUDIT FINDINGS
JUNE 30, 2012 and 2011

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

FINDING NUMBER 2012-001

Noncompliance

Covenants with Bond Holders – West Virginia Code 8-20-8 (Section 4.03 of the Bond Ordinance)

The Board failed to meet the bond ordinance in providing the monthly required sinking fund deposits.

Section 4.03 of the Bond Ordinance requires that:

> C. 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 4.03 and Gross Revenues shall be applied to such deficiencies before being applies to any other payments hereunder.

The Board is not in compliance with the Bond Ordinance due to the management not having proper procedures in place to make the required sinking fund deposits.

We recommend the Board take the necessary managerial steps to ensure that the Board becomes in compliance with the Board Ordinance.

Management's Response – Additional funds have been deposited each month along with the required Bond Payment amount. As of November 2012 the full amount of the deficiency had been eliminated. Regular Bond Payments continue to be made in a timely manner in order to stay compliant with the Bond Ordinance

WATER BOARD OF THE CITY OF CLARKSBURG
CLARKSBURG, WEST VIRGINIA

SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2011 and 2012

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; ***Explain***
2011-001	Covenants with Bond Holders Section 6.04 of the Bond Ordinance – Not meeting the 120% requirement	Yes	N/A
2011-002	Covenants with Bond Holders Section 4.03 of the Bond Ordinance – Not depositing monthly required sinking fund deposits	No	Repeated as Finding 2012-001

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

_____, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

City of Clarksburg
Clarksburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by the City of Clarksburg, West Virginia (the "Issuer") of its $_____ aggregate principal amount of Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds").

The Series 2013 A Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 19 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on March 7, 2013, as supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on March 21, 2013 (collectively, the "Ordinance"), and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Ordinance when used herein.

The Series 2013 A Bonds are issued in fully registered form, are dated _____, 2013, upon original issuance, mature on September 1 in the years and amounts and bear interest payable each March 1 and September 1, commencing September 1, 2013, as set forth in the Ordinance.

The Series 2013 A Bonds are not subject to redemption prior to maturity.

The Ordinance provides that the Series 2013 A Bonds are issued for the purpose of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002 (the "Series 2002 Bonds"), funding a debt service reserve account for the Series 2013 A Bonds and paying costs of issuance of the Series 2013 A Bonds and related costs.

The Series 2013 A Bonds have been sold to Crews & Associates, Inc. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement dated _____ , 2013, and accepted by the Issuer (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Original Purchaser and other entities contained in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants and representations of the Issuer and others set forth in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and such certifications, we are of the opinion, under existing law and as of the date hereof, that:

1. The Issuer is a duly organized and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to adopt and enact the Ordinance, enter into the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and Tax Certificate, perform its obligations under the terms and provisions thereof and to issue and sell the Series 2013 A Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted and enacted the Ordinance, has authorized, executed and delivered the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate, has authorized the distribution of the Official Statement in connection with the marketing and sale of the Series 2013 A Bonds, and has issued and delivered the Series 2013 A Bonds to the Original Purchaser pursuant to the Bond Purchase Agreement. The Ordinance is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms.

4. The Series 2013 A Bonds have been duly authorized, executed and delivered by the Issuer and, assuming proper authentication, constitute valid and legally enforceable limited obligations of the Issuer, payable solely from, and secured by a lien on, the Gross Revenues of the System, on a parity with the Issuer's outstanding: (1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850 (the "Series 2001 A Bonds"); and (2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764 (the "Series 2004 A Bonds"),

(collectively, the "Prior Bonds"). The Series 2013 A Bonds are enforceable in accordance with their terms and the terms of the Ordinance, and are entitled to the benefits of the Ordinance and the Act.

5. The Series 2002 Bonds have been paid within the meaning and with the effect expressed in the Ordinance, as supplemented, pursuant to which they were issued, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 2002 Bonds have been satisfied and discharged. In rendering the opinion set forth in this paragraph, we have relied upon the Receipt and Release of the West Virginia Municipal Bond Commission as to the sufficiency of the monies on deposit to provide for the payment of the principal of, interest on, and premium, if any, of the Series 2002 Bonds.

6. Under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Series 2013 A Bonds (including any original issue discount properly allocable to owners of the Bonds) is excludable from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations. It should be noted, however, that for the purpose of computing the alternative minimum tax on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. Ownership of tax-exempt obligations, including the Series 2013 A Bonds, may result in collateral federal income tax consequences to certain taxpayers, including without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. We offer no opinion as to such collateral tax consequences or any other federal tax consequences arising with respect to the Series 2013 A Bonds. Prospective purchasers of the Series 2013 A Bonds should consult their own tax advisors as to such consequences. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder (collectively, the "Code") that must be satisfied subsequent to issuance of the Series 2013 A Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and with all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Series 2013 A Bonds set forth in the Ordinance, the Prepayment Agreement, the Tax Certificate and the certifications of the Issuer and others. Failure to comply with such Code provisions or such certifications, covenants and representations could cause the interest on the Series 2013 A Bonds to be includable in gross income retroactive to the date of issuance of the Series 2013 A Bonds.

7. Under the Act, the Series 2013 A Bonds and the income therefrom are exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

8. The Issuer has designated the Series 2013 A Bonds as "Qualified Tax-Exempt Obligations" for purposes of paragraph (3) of Section 265(b) of the Code and covenanted that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income taxes (excluding, however, obligations described in Section 265(b)(3)(C)(ii) of the Code), including the Bonds, have been or shall be issued by the Issuer or any entities subordinate to it, during the

calendar year 2013, all as determined in accordance with the Code. For purposes of this paragraph and for the purposes of applying such Section 265(b)(3) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 265(b)(3) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and all entities benefitting thereby shall be treated as one issuer. Therefore, the Series 2013 A Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

9. The Series 2013 A Bonds are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and the West Virginia Uniform Securities Act, as amended, and it is not necessary, in connection with the public offering and sale of the Series 2013 A Bonds, to register any securities under said Securities Acts.

It is to be understood that the rights of the holders of the Series 2013 A Bonds and the enforceability of the Series 2013 A Bonds, the Ordinance, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, and the liens, pledges, rights or remedies with respect thereto, are subject to and may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally and that their enforcement may also be subject to the application of public policy, general principles of equity and the exercise of judicial discretion in appropriate cases.

We do not express any opinion as to the sufficiency or accuracy of the material, information or financial statements which are set forth in the official statement prepared and used in connection with the offering and sale of the Series 2013 A Bonds.

We have examined the executed and authenticated Series 2013 A Bonds of said issue, and in our opinion, said Series 2013 A Bonds are in proper form and have been duly executed and authenticated.

Very truly yours,

STEPTOE & JOHNSON PLLC

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is by and among the City of Clarksburg (the "Issuer"), the Clarksburg Water Board (the "Board") and WesBanco Bank, Inc. (the "Dissemination Agent"), in connection with the issuance of $_____ City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Bonds"). The Bonds are being issued pursuant to the Ordinance adopted by the City Council of the City on March 7, 2013 (the "Original Ordinance"), as supplemented by a Supplemental Parameters Resolution adopted by the City Council of the City on March 21, 2013 (the "Supplemental Resolution" and together with the Original Ordinance as conformed, the "Ordinance"). The Issuer, the Board and Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of Agreement. The Agreement is being executed and delivered by the Issuer, the Board and Dissemination Agent for the benefit of the holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with SEC Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance and the Bond Purchase Agreement dated _____, 2013, which apply to any capitalized term used in the Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" means the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles ("GAAP")) and operating data with respect to the Board, provided at least annually, of the type included in those sections of the final official statement with respect to the Bonds attached thereto as Appendix C, which Annual Financial Information shall include Audited Financial Statements if available on the Report Date, and, if not then available, unaudited financial statements.

"Audited Financial Statements" means the Board's annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

"Beneficial Owner" shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Board" shall mean the Clarksburg Water Board and when appropriate, its Manager.

"Disclosure Representative" shall mean the Mayor, City Manager, Utility Manager or Finance Director of the Issuer and/or the Manager of the Board.

"Dissemination Agent" shall initially mean WesBanco Bank, Inc., or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access System described in the 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of the Agreement.

"National Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule, effective as of July 1, 2009.

"Participating Underwriter" shall mean the original underwriter(s) of the Bonds who are required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each National Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of West Virginia.

SECTION 3. Provision of Annual Reports.

(a) The Issuer and/or the Board shall, or shall cause the Dissemination Agent to, not later than 270 days after the end of the Board's fiscal year (presently June 30) (the "Due Date"), commencing with the report for the Fiscal Year ending June 30, 2013, provide to EMMA Annual Financial Information and Audited Financial Statements, which are consistent with the requirements of Section 4 of the Agreement. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of the Agreement. The Issuer and/or the Board shall provide the Dissemination Agent with a copy of each report filed under the Agreement. If the Issuer's and/or the Board's fiscal year changes, the Issuer and/or the Board shall give notice of such change in the same manner as for a Listed Event under Section 5(a). The Dissemination Agent shall send written notice to the Issuer and the Board thirty days prior to the Due Date of the Annual Financial Information and Audited Financial Statements that such information is due by the Due Date.

(b) Not later than fifteen (15) Business Days prior to the Due Date, the Board shall provide the Annual Financial Information and Audited Financial Statements to the Dissemination Agent. If by the Due Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer and the Board to determine if the Issuer and the Board are in compliance with the first sentence of this subsection (b). If the Dissemination Agent is unable to provide to EMMA the Annual Financial Information and Audited Financial Statements by the date required in subsection (a), the Dissemination Agent shall send a notice to EMMA in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall file a report with the Issuer and the Board certifying that the Annual Financial Information and Audited Financial Statements have been provided to EMMA pursuant to the Agreement and the date provided.

SECTION 4. Content of Annual Financial Information. Within 270 days of the Board's 2013 fiscal year-end, and each subsequent fiscal year, the Dissemination Agent shall submit to EMMA information and data of the Board for the prior fiscal year, including the Audited Financial Statements, prepared in accordance with generally accepted accounting principles in effect from time to time.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement it must be available from the Municipal Securities Rulemaking Board. The Issuer and/or the Board shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer and/or the Board shall give, or cause to be given, notice of the occurrence of any of the following events, if applicable, with respect to the Bonds:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership, or similar event of the Issuer and/or the Board [1];

13. The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action; or the termination of a definitive agreement relating to any such actions, other than pursuant to its term, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Issuer and/or the Board obtains knowledge of the occurrence of a Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws, in any event such determination must be made and submitted to the Dissemination Agent within two (2) business days.

(d) If the Issuer and/or the Board determine(s) that knowledge of the occurrence of any of the Listed Events, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would be material under applicable federal securities laws pursuant to subsection (b) or the Issuer and/or the Board received notice of any Listed Event that does not require a finding of materiality classified under Section 5(a) (1), (3), (4), (5), (6), (9), (11) or (12), the Issuer and/or the Board shall promptly file with the Dissemination Agent a notice of such occurrence to be provided to EMMA.

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would not be material under applicable federal securities laws, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

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[1] For the purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(f) If the Dissemination Agent has been instructed by the Issuer and/or the Board to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with EMMA with a copy to the Issuer and to the Board. The Dissemination Agent must file such notice with EMMA within ten (10) business days of the occurrence of such Listed Event.

SECTION 6. Termination of Reporting Obligation. The Issuer's and the Board's obligations under the Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer and the Board shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Dissemination Agent. WesBanco Bank, Inc., is hereby appointed as Dissemination Agent. The Issuer may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under the Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer and the Board pursuant to the Agreement.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of the Agreement, the Issuer may amend the Agreement, and any provision of the Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of the Agreement, the Board shall describe such amendment in the next Annual Financial Information and Audited Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Board. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for any of the Listed Events under Section 5(a), and (ii) the Annual Financial Information and Audited Financial Statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial

statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in the Agreement shall be deemed to prevent the Issuer and/or the Board from disseminating any other information, using the means of dissemination set forth in the Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events, in addition to that which is required by the Agreement. If the Issuer or the Board chooses to include any information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events in addition to that which is specifically required by the Agreement, the Issuer and/or the Board shall have no obligation under the Agreement to update such information or include it in any future Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events.

SECTION 10. Default. In the event of a failure of the Issuer, the Board or Dissemination Agent to comply with any provision of the Agreement (and, at the request of the Original Purchasers), the Dissemination Agent may or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer, the Board or Dissemination Agent to comply with its obligations under the Agreement. A default under the Agreement shall not be deemed an Event of Default under the Ordinance, and the sole remedy under the Agreement in the event of any failure of the Issuer, the Board or Dissemination Agent to comply with the Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in the Agreement, and the Issuer and the Board agree to the extent allowed by State law to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer and the Board under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Notices. Any notices or communications to or among any of the parties to the Agreement may be given as follows:

To the Issuer:

City of Clarksburg, West Virginia
222 West Main Street
Clarksburg, WV 26301
ATTN: City Manager

To the Dissemination Agent:

WesBanco Bank, Inc.
ATTN: Corporate Trust
1 Bank Plaza
Wheeling, WV 26003

To the Board: Clarksburg Water Board
1001 S. Chestnut St.
Clarksburg, WV 26301
ATTN: Manager

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 13. Beneficiaries. The Agreement shall inure solely to the benefit of the Issuer, the Board, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. Fees. The Issuer and the Board agree to pay all fees and expenses of the Dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 16. Right to Resign. The Dissemination Agent may resign at any time by providing thirty (30) days' written notice to the Issuer and the Board.

SECTION 17. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under the Agreement and to rely upon an opinion of counsel.

[The remainder of this page intentionally left blank.]

Date: _____, 2013

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

WESBANCO BANK, INC.,
as Dissemination Agent

By: _____
Its: _____

CLARKSBURG WATER BOARD

By: _____
Its: President

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Clarksburg (West Virginia)

Name of Issue: $_____ City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt)

Date of Issuance: _____, 2013

Notice is hereby given that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by its covenant made in connection with the above-referenced bond issue. The Issuer anticipates that the Annual Report will be filed by _____.

Dated this _____.

WESBANCO BANK, INC.,
as Dissemination Agent

By: _____
Its: _____

APPENDIX F

FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION (PROVIDED BY BOND COUNSEL)

CITY OF CLARKSBURG (WEST VIRGINIA)

WATER REFUNDING REVENUE BONDS, SERIES 2013 A

CONFORMED BOND ORDINANCE

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CITY OF CLARKSBURG
(WEST VIRGINIA)

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the City of Clarksburg (the "Issuer" or the "City") presently owns and operates, through the Clarksburg Water Board (the "Board"), a waterworks system (the "System") and has heretofore financed the acquisition and construction of the System and certain additions, betterments and improvements thereto through the issuance of several series of bonds or refunding bonds, of which there are presently outstanding the Prior Bonds, as hereinafter defined;

WHEREAS, all of the Prior Bonds were issued pursuant to ordinances of the Issuer previously enacted (such ordinances, as so amended and supplemented, collectively herein called the "Prior Ordinances");

WHEREAS, under the provisions of Chapter 8, Article 19 of the Code of West Virginia, 1931, as amended (the "Bond Act"), the Issuer is authorized and empowered to acquire, construct and operate additions, betterments and improvements to the System and issue

revenue bonds to pay all or a portion of the costs thereof, and, under the provisions of Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (the "Refunding Act"), the Issuer is authorized to issue refunding revenue bonds for the purpose of refunding, paying or discharging all or any part of its outstanding revenue bonds, including interest thereon;

WHEREAS, the Issuer has determined and hereby determines that present value debt service savings would result from the Issuer's current refunding and redemption in full of its outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds");

WHEREAS, the Issuer has determined that it is in the best interests of the inhabitants of the City of Clarksburg and other users of the System to currently refund its outstanding Series 2002 Bonds;

WHEREAS, the Issuer has determined that the aforementioned refunding of the Series 2002 Bonds should be financed with the proceeds from the issuance of the Issuer's Water Refunding Revenue Bonds, Series 2013 A, in the original aggregate principal amount of not more than $10,000,000 (the "Series 2013 A Bonds"), such Series 2013 A Bonds to be secured by and payable from the Gross Revenues (as hereinafter defined) of the System on a parity with respect to the pledge of Gross Revenues in favor of the Prior Bonds (as hereinafter defined); and

WHEREAS, the Issuer has determined and hereby determines that it is in the best interests of the residents of the City that its Series 2013 A Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser.

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

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

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

"Act" means collectively, the Bond Act and the Refunding Act as herein defined.

"Authorized Newspaper" means a financial journal or newspaper of general circulation in the City of New York, New York, printed in the English language and customarily published on each business day of the Registrar, whether or not published on Saturdays, Sundays or legal holidays, and so long as so published, shall include The Bond Buyer.

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

"Board" means the Clarksburg Water Board existing under Section 25 of the charter of the City of Clarksburg and having powers and duties as set forth in Section 27 of such charter.

"Bond Act" means Chapter 8, Article 19 of the Code of West Virginia, 1931, as amended and in effect on the date of delivery of the Series 2013 A Bonds.

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on any of the Bonds.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the Issuer and the Original Purchaser relating to the sale and purchase of the Series 2013 A Bonds.

"Bond Register" means the books of the Issuer maintained by the Registrar for the registration and transfer of Bonds.

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

"Bonds" means, collectively, the Series 2013 A Bonds, the Prior Bonds and any additional Parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 2013 A Bonds, substantially in the form set forth in EXHIBIT A - FORM OF SERIES 2013 A BOND, attached hereto.

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

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

"Closing Date" means the date upon which there is an exchange of the Series 2013 A Bonds for the proceeds representing the original purchase price thereof.

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

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

"Continuing Disclosure Agreement" means the agreement delivered by the Issuer to disseminate annual financial information and material event disclosures as required by Rule 15c2-12.

"Costs" or "Costs of the Refunding" or similar terms means all those costs now or hereafter permitted by the Act to be financed with bonds issued pursuant hereto, including, without limitation, those costs described in Section 1.03E.

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

"Debt Service," with reference to a specified period, means the amount of principal, including any sinking fund payments, and interest payable with respect to the Bonds during such period.

"Depository Bank" means the bank or banks to be designated as such in the Supplemental Resolution, and any other bank or national banking association located in the State of West Virginia, eligible under the laws of the State of West Virginia to receive deposits of state and municipal funds and insured by the FDIC that may hereafter be appointed by the Issuer as Depository Bank.

"DTC" means The Depository Trust Company, New York, New York or its successor.

"DTC-eligible Bonds" means, with respect to the Series 2013 A Bonds, meeting the qualifications prescribed by DTC.

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

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

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

"Governing Body" means the Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the Council, as it may now or hereafter be constituted.

"Government Obligations" means certificates or interest-bearing notes or obligations of the United States, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

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

"Independent Accountants" means the West Virginia State Tax Department or any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any purpose except keeping the accounts of said System in the normal operations of its business and affairs.

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

"Issuer" or "City" means the City of Clarksburg, a municipal corporation and political subdivision of the State of West Virginia, in Harrison County thereof, and, unless the context clearly indicates otherwise, includes the Governing Body and any other commission, board or department established by the Issuer to operate and maintain the System, including the Board.

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Bonds for the then current or any succeeding Fiscal Year, assuming that the principal of any Term Bonds is deemed due on the earlier of their stated maturity date or the date on which they are required to be redeemed pursuant to mandatory sinking fund redemption.

"Mayor" means the Mayor of the Issuer.

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

the Series 2013 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from investment of proceeds of the Series 2013 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds of the Series 2013 A Bonds and is not acquired in order to carry out the governmental purpose of the Series 2013 A Bonds.

"Official Statement" means a document or set of documents prepared by an issuer of municipal securities or its representatives setting forth, among other matters, information concerning the Issuer of such municipal securities and the proposed issue of securities that is complete as of the date of delivery of the document or set of documents to the Original Purchaser.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, 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.

"Operation and Maintenance Fund" means the Operation and Maintenance Fund continued pursuant to Section 4.01 hereof.

"Ordinance" regardless of whether preceded by the article "the" or "this," means this Ordinance, as it may hereafter from time to time be amended or supplemented, by ordinance or by resolution.

"Original Purchaser" means the investment banking firm or firms, bank or banks or such other entity or entities as shall purchase the Series 2013 A Bonds directly from the Issuer, as determined by the Supplemental Resolution, and shall initially mean Crews & Associates, Inc., Morgantown, West Virginia.

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

Bondholders or Bonds respectively, for the purpose of consents, notices and the like, any Bond registered to the Issuer. Notwithstanding the foregoing, in the event that a Bond Insurer has paid principal of and/or interest on any Bond, such Bond shall be deemed to be Outstanding until such time as such Bond Insurer has been reimbursed in full.

"Paying Agent" means the Bond Commission and any other paying agent for the Bonds which may be appointed by a resolution supplemental hereto, all in accordance with Section 8.12 hereof.

"Prepayment Agreement" means the agreement to be entered into between the Issuer, the Board and the Bond Commission, providing for the defeasance and ultimate payment of the Series 2002 Bonds and other matters in connection therewith.

"Prior Bonds" means, collectively, the Series 2001 A Bonds and the Series 2004 A Bonds after the defeasance of the Series 2002 Bonds.

"Prior Ordinances" means, collectively, the ordinances of the Issuer, authorizing the issuance of the Prior Bonds and the Series 2002 Bonds.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

"Purchase Price," for the purpose of computation of the Yield of the Series 2013 A Bonds, has the same meaning as the term "issue price" in Sections 1273(b) and 1274 of the Code, and, in general, means the initial offering price of the Series 2013 A Bonds to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds of each maturity is sold or, if the Series 2013 A Bonds are privately placed, the price paid by the first buyer of the Series 2013 A Bonds or the acquisition cost of the first buyer. "Purchase Price," for purposes of computing Yield of Nonpurpose Investments, means the fair market value of the Nonpurpose Investments on the date of use of Gross Proceeds of the Series 2013 A Bonds for acquisition thereof, or if later, on the date that Investment Property constituting a Nonpurpose Investment becomes a Nonpurpose Investment of the Series 2013 A Bonds.

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

(a) Government Obligations;

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

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

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

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

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

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

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

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

"Rebate Fund" means the Rebate Fund described in Section 4.01 hereof.

"Record Date" means the day of the month which shall be so stated in the Series 2013 A Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

"Redemption Date" means the date fixed for redemption of Bonds subject to redemption in any notice of redemption published or mailed in accordance herewith.

"Redemption Price" means the price at which the Bonds may be called for redemption and includes the principal amount of the Bonds to be redeemed, plus the premium, if any, required to be paid to effect such redemption.

"Refunding Act" means Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended and in effect on the date of delivery of the Series 2013 A Bonds.

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

"Registrar" means the bank to be designated in the Supplemental Resolution as the registrar for the Series 2013 A Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1986 as amended.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinances and continued by Section 4.02 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts created for the Series 2013 A Bonds and the Prior Bonds.

"Reserve Account Requirement" means, collectively, the respective amount required to be on deposit in the respective Reserve Accounts for the Series 2013 A Bonds and the Prior Bonds.

"Revenue Fund" means the Revenue Fund established by the Prior Ordinances and continued hereby.

"Rule 15c2-12" means Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

"Series 2001 A Bonds" means the Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850.

"Series 2002 Bonds" means the Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000.

"Series 2002 Ordinance" means the Bond Ordinances authorizing the Series 2002 Bonds.

"Series 2002 Bonds Prepayment Fund" means the Series 2002 Bonds Prepayment Fund established pursuant to the Prepayment Agreement.

"Series 2004 A Bonds" means the Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764.

"Series 2013 A Bonds" means the Water Refunding Revenue Bonds, Series 2013 A, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2013 A Bonds Costs of Issuance Fund" means the Costs of Issuance Fund created by Section 4.01 hereof.

"Series 2013 A Bonds Redemption Account" means the Series 2013 A Bonds Redemption Account established in the Series 2013 A Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2013 A Bonds Reserve Account" means the Series 2013 A Bonds Reserve Account established in the Series 2013 A Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2013 A Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2013 A Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2013 A Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2013 A Bonds.

"Series 2013 A Bonds Sinking Fund" means the Series 2013 A Bonds Sinking Fund established by Section 4.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds created for the Series 2013 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution or Resolutions to be adopted by the Issuer following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates, redemption provisions, Original Purchaser, Bond Purchase Agreement, Bond Insurer provisions (if any) and other terms of the Series 2013 A Bonds and authorizing the sale of the Series 2013 A Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues not required by the Ordinance 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 funds and accounts established for the Prior Bonds or the Series 2013 A Bonds.

"System" means the complete public waterworks system of the Issuer, presently existing in its entirety or any integral part thereof, and any further additions, extensions and improvements thereto hereafter constructed or acquired for the System from any sources whatsoever.

"Term Bonds" means Series 2013 A Bonds subject to mandatory sinking fund redemption, as described by Section 3.06 hereof.

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

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

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

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

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

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

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

B. The Issuer now owns and operates through the Board a public waterworks System, the construction, extension and improvements of which it has financed or refinanced pursuant to the issuance of the Prior Bonds and Series 2002 Bonds.

C. The Issuer has determined that present value debt service savings will result from the current refunding of its Outstanding Series 2002 Bonds, and that it is in the best interest of the residents of the Issuer and other users of the System to currently refund such Series 2002 Bonds.

D. It is deemed necessary for the Issuer to issue its Water Refunding Revenue Bonds, Series 2013 A, in the original aggregate principal amount of not more than $10,000,000, in order to repay in full the remaining principal balance of and all accrued interest on the Issuer's Series 2002 Bonds. The proceeds of the Series 2013 A Bonds may also be applied to funding the Series 2013 A Bonds Reserve Account and the payment of underwriter's discount; legal expenses; expenses for estimates of costs and revenues; administrative expense; commitment fees; premiums for municipal bond insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of registrar's, Paying Agents, depositories or trustees or other costs in connection with the sale of the Series 2013 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall also be permitted.

E. It is in the best interest of the Issuer that the Series 2013 A Bonds be sold to the Original Purchaser pursuant to the terms and provisions of a Bond Purchase Agreement to be entered into by and between the Issuer and the Original Purchaser, as shall be approved by the Supplemental Resolution of the Issuer.

F. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2013 A Bonds as to liens, pledge, source of and security for payment, as follows: (1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850 (the "Series 2001 A Bonds"); and (2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764 (the "Series 2004 A Bonds") (collectively, referred to herein as the "Prior Bonds").

The Series 2013 A Bonds shall be issued on a parity with one another and with the Prior Bonds, all of which shall have a first lien position with respect to pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2013 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Series 2001 A Bonds and Series 2004 A Bonds are met; and

(ii) the written consent of the Registered Owners of the Series 2001 A Bonds and Series 2004 A Bonds to the issuance of the Series 2013 A Bonds on a parity with such Bonds.

Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by the Gross Revenues of the System.

G. The Issuer derives revenues from the System which are pledged for payment of the Prior Bonds. Except for such pledge thereof to secure and pay the Prior Bonds and Series 2002 Bonds, said revenues are not pledged or encumbered in any manner. The Issuer intends to issue the Series 2013 A Bonds and to pledge for payment thereof, the Gross Revenues of the System. Upon issuance of the Series 2013 A Bonds, the Series 2013 A Bonds will be secured by a first lien on the Gross Revenues of the System, on a parity with the Prior Bonds.

H. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, to provide for repair, maintenance and operation of the System, the payment of interest on the Series 2013 A Bonds and the Prior Bonds, and to create sinking funds, as hereinafter provided, to pay the principal on the Series 2013 A Bonds and the Prior Bonds as and when it becomes due and reasonable reserves therefore, to provide an adequate renewal and replacement fund, as hereinafter provided, and to make all other payments provided for in this Ordinance and the Prior Ordinances.

I. It is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 2013 A Bonds, and secure the Series 2013 A Bonds by a pledge and assignment of the Gross Revenues derived from the operation of the System, the monies in the Series 2013 A Bonds Reserve Account, unexpended proceeds of the Series 2013 A Bonds and as further set forth herein.

J. The Series 2013 A Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A – FORM OF SERIES 2013 A BOND, 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 Issuer.

K. All things necessary to make the Series 2013 A Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer 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 Series 2013 A Bonds will be timely done and duly performed.

L. The enactment of this Ordinance, and the execution and issuance of the Series 2013 A Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

M. The Issuer has complied with all requirements of West Virginia law relating to the operation of the System, the issuance of the Series 2013 A Bonds and the refunding of the Series 2002 Bonds, or will have so complied prior to issuance of any thereof.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Series 2013 A Bonds by those who shall own or hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Registered Owners of any and all of such Series 2013 A Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Series 2013 A Bond and any other Series 2013 A Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDING

Section 2.01. Authorization of Refunding. All Series 2002 Bonds Outstanding as of the date of issuance of the Series 2013 A Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Gross Revenues in favor of the Registered Owners of the Series 2002 Bonds imposed by the Prior Ordinances authorizing the issuance of the Series 2002 Bonds, the monies in the funds and accounts created by the Prior Ordinances pledged to payment of the Series 2002 Bonds, and any other funds pledged by the Prior Ordinances to payment of the Series 2002 Bonds are hereby ordered terminated, discharged and released upon payment into the Series 2002 Bonds Prepayment Fund from the proceeds of the Series 2013 A Bonds, together with other moneys available therefore, of the following: (a) if required by the Prepayment Agreement, an amount equal to the fiscal and paying agent charges and the escrow trustee charges to become due and payable in connection with the Series 2002 Bonds or Series 2013 A Bonds and (b) an amount which will be either held uninvested in a deposit account or simultaneously invested as provided in the Prepayment Agreement, including but not limited to investments in Government Obligations bearing interest and having maturities sufficient, together with certain cash which may also be deposited, to provide for the payment of principal of and interest on such Series 2002 Bonds as the same become due, to the first date upon which the entire aggregate amount of the Series 2002 Bonds are to be redeemed, all as set forth in the Prepayment Agreement. Contemporaneously with the deposit of such Series 2002 Bonds proceeds into the Series 2002 Bonds Prepayment Fund, the amounts on deposit in the sinking fund, including the reserve account therein, and all other funds and accounts created and maintained on behalf of the Series 2002 Bonds, shall be deposited in the Series 2002 Bonds Prepayment Fund or such other fund or account as shall be set forth in the Prepayment Agreement and disposed of as provided in the Prepayment Agreement.

ARTICLE III
THE BONDS

Section 3.01. Form and Payment of Bonds. No Series 2013 A Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Series 2013 A Bonds issued pursuant to this Ordinance may be issued only as fully registered Series 2013 A Bonds without coupons, in the denomination of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in a Supplemental Resolution). All Series 2013 A Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. All Series 2013 A Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 A Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 A Bonds shall be in default, Series 2013 A Bonds issued in exchange for Series 2013 A Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 A Bonds surrendered.

The principal of and the premium, if any, on the Series 2013 A Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Series 2013 A Bonds shall be paid by check or draft made payable and mailed to the Registered Owner thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $1,000,000 or more of the Series 2013 A Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Series 2013 A Bond is redeemed in part, such bond shall be surrendered to and canceled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Registered Owner thereof, another Series 2013 A Bond in the principal amount of said Series 2013 A Bond then Outstanding.

Section 3.02. Execution of Bonds. The Series 2013 A Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, by his or her manual or facsimile signatures, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Series 2013 A 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 Series 2013 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Series 2013 A 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 EXHIBIT A - FORM OF SERIES 2013 A BOND attached hereto and incorporated herein by reference with respect to such respective Series 2013 A Bond, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Series 2013 A Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Series 2013 A Bond shall be deemed to have been executed by the Registrar if 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 Series 2013 A Bonds issued hereunder.

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer set forth below, the Series 2013 A Bonds shall be, and have all of the qualities and incidents of, negotiable instruments under the Uniform Commercial Code of the State, and each successive Registered Owner, in accepting any of said Series 2013 A Bonds, shall be conclusively deemed to have agreed that such Series 2013 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder shall further be conclusively deemed to have agreed that said Series 2013 A Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2013 A Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Series 2013 A Bonds. The Series 2013 A Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Series 2013 A Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Series 2013 A Bonds may at the option of the Holder thereof be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Series 2013 A Bond is exercised, Series 2013 A Bonds shall be delivered in accordance with the provisions of this Ordinance. All Series 2013 A Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Series 2013 A Bonds, the initial exchange of Series 2013 A Bonds and exchanges of such Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Series 2013 A Bonds, the Registrar

may impose a service charge. For every such transfer or exchange of such Bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2013 A Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2013 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Bond so destroyed, stolen or lost, and upon the Registered Owner furnishing the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Registered Owner listed in the Bond Register shall constitute proof of ownership. All Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer, by and through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender thereof.

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

Section 3.06. Term Bonds. In the event Term Bonds are issued as part of the Series 2013 A Bonds issued pursuant to this Ordinance, the following provisions shall apply:

A. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Series 2013 A Bonds Redemption Account in accordance with Subsection 4.03(A)(2) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 13 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory redemption date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

B. At its option, to be exercised on or before the 60th day next preceding any such mandatory redemption date, the Issuer may (a) deliver to the Registrar for cancellation such Term Bonds in any aggregate principal amount desired or (b) receive a credit in respect of its

mandatory redemption obligation for any such Term Bonds which prior to said date have been redeemed (otherwise than pursuant to this section) and canceled by the Registrar and not theretofore applied as a credit against any such mandatory redemption obligation. Each Term Bond so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and Term Bonds delivered in excess of such mandatory redemption obligation shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

C. The Issuer shall on or before the 60th day next preceding each mandatory redemption date furnish the Registrar and the Bond Commission with its certificate indicating whether and to what extent the provisions of (a) and (b) of the preceding paragraph are to be utilized with respect to such mandatory redemption payment and stating, in the case of the credit provided for in (b) of the preceding paragraph, that such credit has not theretofore been applied against any mandatory redemption obligation.

D. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the moneys in the Series 2013 A Bonds Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

E. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the redemption date (interest to be paid from the Sinking Fund), as will exhaust as nearly as practicable such Series 2013 A Bonds Redemption Account payment designated to be made in accordance with paragraph (A) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory redemption date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Registered Owner of the Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the applicable Bond Insurer, if any, the Original Purchaser, and the Registered Owner of the Series 2013 A Bond or Bonds, as applicable, to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state:

(1) The Redemption Date,

(2) The Redemption Price,

(3) If less than all outstanding Series 2013 A Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(4) That on the Redemption Date the Redemption Price and interest accrued will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) The place where such Bonds are to be surrendered for payment of the Redemption Price, which place of payment shall be the principal office of the Registrar, and

(6) Such other information, if any, as shall be required for DTC-eligible Bonds.

Prior to any redemption date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Series 2013 A Bonds or portions of such Bonds which are to be redeemed on that date. If such funds are not so deposited such redemption will not occur and such will not constitute a default on the Series 2013 A Bonds.

Official notice of redemption having been given as aforesaid, the Series 2013 A Bonds or portions of such Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Series 2013 A Bonds or portions of such Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Series 2013 A Bonds, and failure to mail such notice shall not affect the validity of proceedings for the redemption of any portion of Bonds for which there was no such failure.

Section 3.08. Persons Treated as Owners. The Issuer, the Registrar and any agent of the Issuer or the Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of the principal of, and interest on,

such Bond and (except as provided in Section 6.18) for all other purposes, whether or not such Bond is overdue.

Section 3.09. Temporary Bonds. Until Bonds of any series in definitive form are ready for delivery, the Issuer may execute and the Registrar shall authenticate, register, if applicable, and deliver, subject to the same provisions, limitations and conditions set forth in this Article III, one or more printed, lithographed or typewritten Bonds in temporary form, substantially in the form of the definitive Bonds of such series, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the lien and benefit created under this Ordinance. Upon the presentation and surrender of any Bond in temporary form, the Issuer shall, without unreasonable delay, prepare, execute and deliver to the Registrar, and the Registrar shall authenticate, register, if applicable, and deliver, in exchange therefore, a Bond or Bonds in definitive form. Such exchange shall be made by the Registrar without making any charge therefore to the Holder of such Bond in temporary form.

Section 3.10. Authorization of Bonds. For the purposes of paying in full the entire outstanding principal of and all accrued interest on the Series 2002 Bonds, funding the Series 2013 A Bonds Reserve Account and paying costs of issuance of the Series 2013 A Bonds and related costs, there shall be issued the Series 2013 A Bonds of the Issuer, in an aggregate principal amount of not more than $10,000,000. The Series 2013 A Bonds shall be designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" and shall be issued in fully registered form, in denominations of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in the Supplemental Resolution), not exceeding the aggregate principal amount of Series 2013 A Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 2013 A Bonds shall be numbered from AR-1 consecutively upward. The Series 2013 A Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Series 2013 A Bonds. The Series 2013 A Bonds (if purchased by the Original Purchaser) shall initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2013 A Bonds of each maturity, and shall be registered in the name of Cede & Co., as nominee of DTC. Notwithstanding anything herein to the contrary contained, so long as the Series 2013 A Bonds are Outstanding and registered with DTC, DTC (or its nominee) shall be treated as the sole Registered Owner for all purposes hereunder. Each Bond shall bear a legend substantially to the following effect "Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this certificate is presented by an authorized representative of DTC, to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede

& Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein."

With respect to Series 2013 A Bonds registered in the records of the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent shall have no responsibility or obligation to any other participant in DTC or to any Person on behalf of whom such a participant in DTC holds a beneficial interest in the Series 2013 A Bonds. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any other participant in DTC with respect to any beneficial ownership interest in any Bond, (ii) the delivery to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any notice with respect to any Series 2013 A Bonds, including without limitation any notice of redemption, tender, purchase or any event which would or could give rise to a tender or purchase right or option with respect to any Bond, (iii) the payment to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any amount with respect to principal of, premium, if any, or interest on, any Bond, or (iv) any consent given by DTC as Registered Owner. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent shall be entitled to treat and consider the Person in whose name each Bond is registered in the records of the Registrar as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption, sale, purchase or any event which would or could give rise to a sale or purchase right or option with respect to any Bond for the purpose of making payment of any purchase price of such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Issuer and Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2013 A Bonds and the purchase price of any Bond only to or upon the order of the respective Registered Owners, as shown in the records of the Registrar as provided in this Ordinance, or their respective attorneys or legal representatives duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2013 A Bonds to the extent of the sum or sums so paid. No Person other than a Registered Owner, as shown in the records of the Registrar, shall receive a Bond certificate evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to this Ordinance.

The Registered Owners have no right to a depository for the Series 2013 A Bonds. The Issuer may remove DTC or any successor thereto for any reason at any time. In such event or in the event DTC shall notify the Issuer that DTC is discontinuing its book-entry system for the Series 2013 A Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bond certificates to such successor securities depository or (ii) notify DTC of the availability through the DTC of Bond certificates and transfer one or more separate Bond certificates to other participants or beneficial owners as DTC may direct. In such event, the Series 2013 A Bonds

shall no longer be restricted to being registered in the records of the Registrar in the name of Cede & Co., as nominee, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names other participants in DTC receiving Series 2013 A Bonds shall designate, in accordance with the provisions of this Ordinance. The provisions of this Section applicable to DTC shall apply, mutatis mutandis, to any successor depository performing the same functions hereunder as DTC.

The Issuer represents hereby that it has executed a Letter of Representations, the terms of which are applicable to the issuance of the Series 2013 A Bonds hereunder. Such Letter of Representations is for the purpose of effectuating the Book-Entry Only System only and shall not be deemed to amend, supersede or supplement the terms of this Ordinance which are intended to be complete without reference to the Letter of Representations. In the event of any conflict between the terms of the Letter of Representations and the terms of this Ordinance, the terms of this Ordinance shall control. DTC may exercise the rights of a Registered Owner hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

Section 3.12. Delivery of Series 2013 A Bonds. The Issuer shall execute and deliver the Series 2013 A Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2013 A Bonds to the Original Purchaser upon receipt of the documents set forth below:

(1) If not registered in the name of DTC or its nominee, a list of the names in which the Series 2013 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(2) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 A Bonds to DTC for the benefit of the Original Purchaser;

(3) Copies of this Ordinance and the Supplemental Resolution certified by the City Clerk;

(4) The unqualified approving opinion of Bond Counsel regarding the Series 2013 A Bonds; and

(5) A copy of such other documents and certificates as the Original Purchaser may reasonably require.

Section 3.13. Form of Series 2013 A Bonds. The definitive Series 2013 A Bonds shall be in substantially the form set forth in EXHIBIT A – FORM OF SERIES 2013 A BOND attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2013 A Bonds on behalf of the Issuer and execution thereof by such officers shall

constitute conclusive evidence of such approval, and the definitive Series 2013 A Bonds shall have the form of the opinion of Steptoe & Johnson PLLC, as Bond Counsel, attached thereto.

Section 3.14. Sale of Series 2013 A Bonds; Approval and Ratification of Execution of Bond Purchase Agreement with Original Purchaser. The Series 2013 A Bonds shall be sold to the Original Purchaser pursuant to the terms and conditions of the Bond Purchase Agreement. If not so authorized by previous ordinance, the Mayor is specifically authorized and directed to execute the said Bond Purchase Agreement in such form as may be approved by the Supplemental Resolution, and the Clerk is directed to affix the seal of the Issuer, attest the same and deliver the said Bond Purchase Agreement to the Original Purchaser.

Section 3.15. Disposition of Proceeds of Series 2013 A Bonds. Upon the issuance and delivery of the Series 2013 A Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

1. All interest accrued on Series 2013 A Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2013 A Bonds Sinking Fund and applied to payment of interest on the Series 2013 A Bonds at the first interest payment date.

2. An amount of the proceeds of the Series 2013 A Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2013 A Bonds Reserve Account.

3. An amount of the proceeds of the Series 2013 A Bonds, which together with certain funds on deposit with the Bond Commission for the Series 2002 Bonds, shall equal the entire outstanding principal of, prepayment premium and all accrued interest on the Series 2002 Bonds to the redemption date thereof as set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2002 Bonds Prepayment Fund pursuant to the Prepayment Agreement in order to pay the Series 2002 Bonds in full, together with the prepayment premium thereon on the redemption date thereof.

4. An amount of Series 2013 A Bond proceeds which, together with other monies or securities deposited therein, shall be equal to the Costs of Issuance of the Series 2013 A Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2013 A Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2013 A Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2013 A Bonds Sinking Fund established in Section 4.02 hereof and applied to the next ensuing payment of interest on the Series 2013 A Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 A Bonds from which such proceeds are derived.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article IV, the following special funds are created with (or continued if previously established by the Prior Ordinances), and shall be held by, the Depository Bank, segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other and used solely for the purposes provided herein:

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

(2) Renewal and Replacement Fund (established by the Prior Ordinances as Depreciation Fund and hereby renamed and continued);

(3) Operation and Maintenance Fund (established by the Prior Ordinances);

(4) Series 2013 A Bonds Costs of Issuance Fund; and

(5) Rebate Fund.

Section 4.02. Establishment of Funds and Accounts with Bond Commission. Pursuant to this Article IV, the following special funds and accounts are hereby established (or continued if previously established by the Prior Ordinances) with and shall be held by the Bond Commission, separate and apart from all other funds or accounts of the Bond Commission or the Issuer and from each other and used solely for the purposes provided herein:

(1) Series 2001 A Bonds Sinking Fund (established by Prior Ordinance and continued hereby);

(2) Series 2001 A Bonds Reserve Account (established by Prior Ordinance and continued hereby);

(3) Series 2004 A Bonds Sinking Fund (established by Prior Ordinance and continued hereby);

(4) Series 2004 A Bonds Reserve Account (established by Prior Ordinance and continued hereby);

(5) Series 2013 A Bonds Sinking Fund;

(a) Within the Series 2013 A Bonds Sinking Fund:

(i) Series 2013 A Bonds Reserve Account; and

(ii) Series 2013 A Bonds Redemption Account.

Section 4.03. System Revenues and Application Thereof. So long as any of the Series 2013 A Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited by the Issuer in the Revenue Fund. The Revenue Fund shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided. All Gross Revenues at any time remaining on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the interest on the Prior Bonds; and (ii) commencing 7 months prior to the first interest payment date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2013 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 2013 A Bonds Sinking Fund and the next ensuing semiannual interest payment date is more or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; provided further that, the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2013 A Bonds Sinking Fund shall be reduced by the amount of accrued interest, if any, on the Series 2013 A Bonds deposited therein, and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2013 A Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the principal of the Prior Bonds; and (ii) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund and in the Series 2013 A Bonds Redemption

Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2013 A Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2013 A Bonds on the next ensuing principal payment date or mandatory Redemption Date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next ensuing principal payment date or mandatory Redemption Date is more or less than 13 months (or 7 months if the Series 2013 A Bonds mature semiannually rather than annually), then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

(3) The Issuer shall next each month, transfer from the Revenue Fund to the Operation and Maintenance Fund an amount sufficient to pay all Operating Expenses of the System.

Moneys in the Series 2013 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2013 A Bonds, whether by maturity or redemption prior to maturity. Moneys on deposit in the Series 2013 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2013 A Bonds when the funds on deposit in the Series 2013 A Bonds Sinking Fund are insufficient therefore, and for no other purpose. Pending such use, such moneys shall be invested in accordance with Article V.

The Issuer shall not be required to make any further payments into the Series 2013 A Bonds Sinking Fund when the aggregate amount of funds therein, including the Series 2013 A Bonds Reserve Account therein, is at least equal to the aggregate principal amount of Series 2013 A Bonds then Outstanding, plus the amount of interest due or thereafter to become due on such Bonds then Outstanding.

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

The payments into the Series 2013 A Bonds Sinking Fund shall be made on the first day of each month, except that, when the first day of any month shall be a Saturday, 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 Bond Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Ordinance.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Reserve Accounts of the Prior Bonds the amounts required by the Prior Ordinances; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2013 A Bonds, if not fully funded upon issuance of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2013 A Bonds Reserve Requirement, and thereafter the Issuer shall deposit in the Series 2013 A Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Series 2013 A Bonds Reserve Account below the Series 2013 A Bonds Reserve Requirement or any withdrawal from the Series 2013 A Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2013 A Bonds Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2013 A Bonds Reserve Account is less than the Series 2013 A Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2013 A Bonds Reserve Account for deposit into the Series 2013 A Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefore, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2013 A Bonds Reserve Account to an amount equal to the Series 2013 A Bonds Reserve Requirement to the full extent that such Gross Revenues are available; provided however, that if the shortfall in the Series 2013 A Bonds Reserve Account is due to a decrease in value of investments therein, such shortfall shall be replenished by not less than 6 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2013 A Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2013 A Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Series 2013 A Bonds Reserve Requirement.

Amounts in the Series 2013 A Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2013 A Bonds when due, when amounts in the Series 2013 A Bonds Sinking Fund are insufficient therefore and for no other purpose.

(5) The Issuer shall next, each month, transfer from the monies remaining in the Revenue Fund and remit to the Depository Bank for deposit in 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. Subject to the restrictions contained in the Prior Ordinances, so long as the Prior Bonds are outstanding, withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, or improvements or extensions to the System; provided, that any deficiency in any Reserve Account, except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof, shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) If on any monthly payment date the revenues of the System are insufficient to make the required deposits in any of the funds and accounts as hereinabove provided, the deficiency shall be made up on the next ensuing payment dates by payments in addition to the payments which are otherwise required to be made into the funds on such ensuing payment dates.

(7) The Issuer may next, each month, after making the above required transfers of moneys from the Revenue Fund, apply any remaining revenues ("Surplus Revenues") to payment of debt service on any other subordinate bonds, notes, certificates or other obligations of the System. Any Surplus Revenues then remaining in the Revenue Fund may be used for any lawful purpose of the System.

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

Bond Commission shall deposit all remittances in the fund or account in the priority established by this Ordinance.

C. If on any monthly payment date the Gross 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 4.03 and the Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

D. Principal and interest payments, and any payments made for the purpose of funding the Reserve Accounts, shall be made on a parity basis and pro-rata, with respect to the Prior Bonds, the Series 2013 A Bonds and any parity Bonds hereinafter issued, in accordance with the respective principal amounts of each such series of Bonds then Outstanding, if less than the full amount required hereby.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE REBATES AND CONTINUING DISCLOSURE CERTIFICATE

Section 5.01. Investments. The Issuer shall invest and reinvest, and shall instruct the Bond Commission and the Depository Bank to invest and reinvest, any moneys held as a part of the funds and accounts created by this Ordinance in Qualified Investments to the fullest extent possible under applicable laws, this Ordinance, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this section.

Except as provided below, 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 Issuer 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 Issuer may make any and all investments permitted by this section through the bond department of the Depository Bank. The Depository Bank shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The following specific provisions shall apply with respect to any investments made under this section:

(A) Qualified Investments acquired for the Renewal and Replacement Fund or any Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 3 years from the date of such investment.

(B) The Issuer shall, or shall cause the Bond Commission to, semiannually transfer from each Reserve Account to the corresponding Sinking Fund any earnings on the moneys deposited therein and any other funds in excess of the applicable Reserve Account Requirement; provided, however, that there shall at all times remain on deposit in each Reserve Account an amount at least equal to the applicable Reserve Account Requirement.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from a Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in a Reserve Account shall, at any time, be less than the applicable Reserve Requirement, the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Gross Revenues after required deposits to the applicable Sinking Fund and otherwise in accordance with Section 4.03(3).

(D) All amounts representing accrued interest shall be held by the Bond Commission, pledged solely to the payment of interest on the Bonds and invested only in Government Obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged.

(E) Notwithstanding the foregoing, all moneys deposited in any Sinking Fund may be invested by the Bond Commission in the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia, 1931, as amended.

Section 5.02. Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Series 2013 A Bonds in such manner and to such extent as may be necessary, so that such Series 2013 A Bonds will not constitute "arbitrage bonds" under Section 148 of the Code and Regulations prescribed thereunder, 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 such Bonds) so that the interest on the Series 2013 A 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 5.03. Tax Certificate, Rebates, and Rebate Fund. 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 any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2013 A 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 Ordinance.

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,

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 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 therefore. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.03 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.

Section 5.04. Continuing Disclosure Certificate. The Issuer shall deliver a continuing disclosure certificate in form acceptable to the Original Purchaser sufficient to ensure compliance with Rule 15c2-12, as it may be amended from time to time.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Ordinance shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2013 A Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Series 2013 A Bonds as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 A Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds Not to be Indebtedness of the Issuer. The Series 2013 A Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any

constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein and the unexpended proceeds of the Series 2013 A Bonds, all as herein provided. No Holder or Holders of the Series 2013 A Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2013 A Bonds or the interest thereon.

Section 6.03. Series 2013 A Bonds Secured by Parity Pledge of Gross Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of all of the Series 2013 A Bonds issued hereunder shall be secured forthwith equally and ratably with each other by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The payment of the debt service on the Series 2013 A Bonds shall also be secured by the moneys in the Series 2013 A Bonds Sinking Fund, including the Series 2013 A Bonds Reserve Account therein. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2013 A Bonds herein authorized, and to make the payments into the Series 2013 A Bonds Sinking Fund, all moneys and securities in the Series 2013 A Bonds Sinking Fund, including the Series 2013 A Bonds Reserve Account therein, and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Prior Bonds and the Series 2013 A Bonds herein authorized as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. Prior to the issuance of the Series 2013 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder.

So long as the Series 2013 A Bonds are outstanding, the Board covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Ordinance and in compliance with this Ordinance. In the event the schedule of rates and charges currently in effect for the System shall prove to be insufficient to produce the required sums set forth in this Ordinance, the Board 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 and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Ordinance. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for

contingencies and temporary unanticipated reduction in income and revenues, the Issuer and the Board hereby covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with all requisite appeal periods having expired (without successful appeal), whether or not such approved rates are being charged and collected by the Board.

The Board covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Accountant that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

Section 6.05. Operation and Maintenance. The Issuer or the Board will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the Revenues of said System in the manner provided in this Ordinance. The Issuer or the Board will obtain all permits required by state and federal laws for the operation of the System and all orders and approvals from the Public Service Commission of West Virginia necessary for the operation of the System.

Section 6.06. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer and the Board shall not sell, mortgage, lease or otherwise dispose of or encumber the System except as provided in the Prior Ordinances. Additionally, so long as the Series 2013 A Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, or to defease the pledge created by this Ordinance and the Prior Ordinances except as provided below. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the respective Sinking Funds, and otherwise as prescribed by

Section 9.01. Any balance remaining after such defeasance shall be remitted to the Board by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Board and the Issuer shall have and hereby reserve the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of $500,000, the Issuer and the Board shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $500,000 but not in excess of $5,000,000, the Issuer and the Board shall first, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $500,000 and not in excess of $5,000,000, shall be deposited by the Board into the Renewal and Replacement Fund. Such payments of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer or the Board if the proceeds to be derived therefrom shall be in excess of $5,000,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer or the Board shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except additional parity Bonds provided for in Section 6.08 hereof, payable from the Revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Gross Revenues with the Series 2013 A Bonds; and all obligations hereafter issued by the Issuer payable from the revenues of the System, except such additional Bonds, shall contain an express statement that such obligations are junior and subordinate as to lien on and source of and security for payment from such revenues and in all other respects to the Bonds.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to such additional parity Bonds, being on a parity with the lien of the Series 2013 A Bonds, and the

interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2013 A Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no Additional Parity Bonds, as in this section defined, payable out of the revenues of the System shall be issued after the issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

No such Additional Parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, or refunding the Prior Bonds, to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

So long as the Series 2013 A Bonds are Outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the two Fiscal Years following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with the time for all available appeals having expired (without successful appeal) prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the Board.

The term "Additional Parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Bonds, and all the covenants

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

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

No Additional Parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance and the Prior Ordinances on account of the Bonds then Outstanding, if any (excluding the Renewal and Replacement Fund), and any other payments provided for in this Ordinance and the Prior Ordinances shall have been made in full as required to the date of delivery of the Additional Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and the Prior Ordinances.

Provided, however, that when the Prior Bonds are no longer outstanding or in the event that the registered owners of the Prior Bonds waive the applicability of certain covenants contained in the Prior Ordinances, if the most recent audit by an independent certified public accountant for the Issuer or the Board for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the Issuer or the Board was not in compliance with the rate covenant in Section 6.04 of this Ordinance for the year being audited and the Board has, as required by Section 6.04, enacted a rate ordinance for which all applicable appeal periods shall have expired (without successful appeal) implementing a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the Issuer from issuing Additional Parity Bonds under this Section 6.08.

Section 6.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Series 2013 A Bonds remain Outstanding, the Issuer or the Board will, as an Operating Expense, procure, carry and maintain insurance and bonds and workers' compensation coverage with a reputable insurance carrier or carriers or bonding company or companies covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the time of war the Issuer or the Board will also carry and maintain insurance to the extent available against 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 and destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than $1,000,000 per occurrence to protect the Issuer and the Board 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 and the Board from claims arising out of operation or ownership of motor vehicles of or for the System.

C. WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Issuer or the Board and such payment bonds will be filed with the Clerk of the County Commission of the County in which such work is to be performed prior to commencement of construction of any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

D. FLOOD INSURANCE, to extent available at reasonable cost to the Issuer or the Board.

E. BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer or the Board.

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

Section 6.10. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling, or building intended to be served by the System to connect thereto.

Section 6.11. No Free Services. The Board will not render or cause to be rendered any free services of any nature by the System; and, in the event the Board, the Issuer or any department, agency, instrumentality, officer or employee thereof shall avail himself of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Board, the Issuer and any such department, agency, instrumentality, officer or

employee. Such charges shall be paid as they accrue, and the Board and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 6.12. Enforcement of Collections. The Issuer or the Board 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 20 days after the same shall become due and payable, the user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid and to the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, shall become a lien on the premises served by the System. The Issuer and the Board further covenant and agree that they will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services and facilities of the System to all delinquent users of services and facilities of the System and will not restore such services of the System until all billing for charges for the services and facilities of the System, including penalties and reconnect fees, have been fully paid, or a payment agreement in compliance with the West Virginia Public Service Commission regulations has been entered.

Section 6.13. No Competing Franchise. To the extent legally allowable, the Issuer and the Board will not grant or cause, consent to or allow the granting of any franchise or permit to any person, firm, corporation or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.14. Books and Records. The Issuer or the Board will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds shall have the right at all reasonable times to inspect the System, and all parts thereof, and all records, accounts and data of the Issuer and the Board relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles, to the extent allowable under and in accordance with the rules and regulations of the Public Service Commission of West Virginia and the Act. Separate control accounting records shall be maintained by the Issuer or the Board. Subsidiary records as may be required shall be kept in the manner, on the forms, in the books and along with other bookkeeping records as prescribed by the Issuer or the Board. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be

installed remote from the direct supervision of the Issuer or the Board shall be reported to such agent of the Issuer as it shall direct.

The Issuer or the Board shall file with the Original Purchaser and any Bond Insurer, and shall mail to any Holder of Bonds requesting the same, an annual report within 180 days following the end of each Fiscal Year containing a balance sheet, statement of revenues, expenses, and changes in retained earnings, and statement of cash flows, as prescribed by generally accepted accounting principles.

The Issuer or the Board shall also file with the Original Purchaser and any Bond Insurer, and mail to any Holder of Bonds requesting the same, a monthly unaudited report within 30 days following the end of each month containing the following:

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

(B) A statement of account balances in the Sinking Fund accounts provided for in this Ordinance and status of said funds.

The Issuer or the Board shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by Independent Accountants, shall mail upon request, and make available generally, the report of said Independent Accountants, or a summary thereof, to any Holder or Holders of Bonds issued pursuant to this Ordinance and shall file said report with the Original Purchaser.

Section 6.15. Operating Budget. The Issuer or the Board shall annually, at least 30 days preceding the beginning of each Fiscal Year, or at such earlier date required by its charter, prepare and adopt by resolution a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. The Issuer or the Board shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser and to any Holder of Bonds or anyone acting for and in behalf of such Holder who requests the same.

Section 6.16. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2013 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on such Series 2013 A Bonds during the term thereof is, under the terms of such Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2013 A Bonds are

used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2013 A Bonds during the terms thereof is, under the terms of such Series 2013 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2013 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Series 2013 A Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2013 A Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2013 A Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2013 A Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2013 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 6.17. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 A 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 the issuance of the Series 2013 A Bonds and shall be on a parity with one another and with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 6.18. Continuing Disclosures. In order to provide the written undertaking for the benefit of the owners of the Series 2013 A Bonds required by the Securities and Exchange Commission Rule 15c2-12, the Issuer shall enter into a Continuing Disclosure Agreement in such form as may be approved by the Supplemental Resolution, and the Mayor and City Manager are authorized and directed to execute and deliver such Continuing Disclosure Agreement on behalf of the Issuer, with such changes as the Mayor and City Manager shall approve, such approval to be conclusively evidenced by the execution of such Agreement by the Mayor and City Manager.

Section 6.19 Preliminary Official Statement; Official Statement. The distribution of the Preliminary Official Statement with respect to the Series 2013 A Bonds shall be and the same is hereby approved. The form of the Preliminary Official Statement shall be in such form as may be approved by the Supplemental Resolution. The Mayor is hereby authorized and directed to execute and deliver a final official statement on behalf of the Issuer, which shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be required to reflect the terms of the sale of the Series 2013 A Bonds and as the Mayor may approve (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 Original Purchaser for distribution.

Section 6.20. Designation of Series 2013 A Bonds as "Qualified Tax-Exempt Obligations". The Issuer hereby designates the Series 2013 A Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Series 2013 A Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 2013 A Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2013, all as determined in accordance with the Code.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2013 A Bonds:

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

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

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

(D) If the Issuer defaults on the Prior Bonds or the Prior Ordinances.

Section 7.02. Enforcement. Upon the happening and continuance of any Event of Default, any Registered Owner of any Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his rights and, in particular:

(A) Bring suit for any unpaid principal or interest then due;

(B) By mandamus or other appropriate proceeding enforce all rights of the Registered Owners, including the right to require the Issuer or the Board to perform their duties under the Act and this Ordinance;

(C) Bring suit upon the Bonds;

(D) By action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds; and

(E) By action or bill in equity enjoin any acts in violation of this Ordinance or the rights of the Registered Owners of the Bonds; provided that, all rights and remedies of the Registered Owners of the Series 2013 A Bonds shall be on a parity with those of the Registered Owners of the Prior Bonds.

No remedy by the terms of this Ordinance conferred upon or reserved to the Registered Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Registered Owners hereunder or now or hereafter existing at law or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder by the Registered Owners shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Registered Owner shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer and the Board, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the principal of and interest on the Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Ordinance and the Act.

The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate, maintain, manage and control such facilities, and each and every part thereof, and in the name of

the Issuer and the Board exercise all the rights and powers of the Issuer and the Board with respect to said facilities as the Issuer or the Board itself might do.

Whenever all that is due upon the Series 2013 A Bonds issued pursuant to this Ordinance and interest thereon and under any covenants of this Ordinance for reserve, sinking or other funds and accounts 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 Ordinance shall have been cured and made good, possession of the System shall be surrendered to the Issuer and the Board upon the entry of an order of the court to that effect. Upon any subsequent default, any Registered Owner shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby and a successor receiver 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 the Board and for the joint protection and benefit of the Issuer, the Board, and the Registered Owners of the Bonds issued pursuant to this Ordinance. 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 the Registered Owners of the Bonds, and the curing and making good of any default under the provisions of this Ordinance, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the System.

Section 7.04. Restoration of Issuer and Registered Owners. In case any Registered Owner shall have proceeded to enforce any right under this Ordinance by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Board, and such Registered Owners shall be restored to their former positions and rights hereunder, and all rights and remedies of such Registered Owners shall continue as if no such proceedings had been taken.

ARTICLE VIII

REGISTRAR, PAYING AGENT AND DEPOSITORY BANK

Section 8.01. Appointment of Registrar, Paying Agent and Depository Bank. The Registrar, Paying Agent and Depository Bank (collectively, the "Fiduciaries") for the

Series 2013 A Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Fiduciaries, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Fiduciaries. The recitals of fact in the Series 2013 A Bonds shall be taken as statements of the Issuer, and the Fiduciaries shall not be responsible for their accuracy. The Fiduciaries shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Series 2013 A Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication on the Series 2013 A Bonds. The Fiduciaries and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

Section 8.03. Evidence on Which Fiduciaries May Act. Except as otherwise provided by Section 10.02, the Fiduciaries shall be protected in acting upon any notice, resolution, request, consent, order, certificate, opinion or other document believed by them to be genuine and to have been signed or presented by the proper party or parties. Whenever any Fiduciary shall deem it necessary or desirable that a fact or matter be proved or established prior to taking or suffering any action, such fact or matter, unless other evidence is specifically prescribed, may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Issuer, but in its discretion such Fiduciary may instead accept other evidence of such fact or matter.

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Fiduciaries from time to time reasonable compensation for all services, including the transfer of registration of Series 2013 A Bonds, the first exchange of Series 2013 A Bonds and the exchange of Series 2013 A Bonds in the event of partial redemption, incurred in the performance of their duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Series 2013 A Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners or effect or aid in any reorganization growing out of the enforcement of the Series 2013 A Bonds or this Ordinance, whether or not any such committee shall represent the Registered Owners of a majority in principal amount of the Series 2013 A Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Ordinance by giving not less than 60 days' written notice to the Issuer and mailing such notice to each Bondholder, specifying the date when such resignation shall take effect. Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or Bondholders, in which event such resignation shall take effect immediately.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer or by the Registered Owners of a majority in principal amount of the Series 2013 A Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer or by such Registered Owners or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Series 2013 A Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Bondholders. The Issuer shall mail to each Bondholder notice of any such appointment within 20 days after the effective date of such appointment. Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Bondholders. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance.

Section 8.09. Transfer of Rights and Property to Successor. Any predecessor Registrar or Paying Agent shall pay over, assign and deliver any moneys, books and records held by it and relating to the Series 2013 A Bonds to its successor.

Section 8.10. Merger or Consolidation. Any company into which the Registrar may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which the Registrar or any public officer or court may sell or transfer all or substantially all of its corporate trust business, shall be the successor to such Registrar without the execution or filing of any paper or the performance of any further act; provided, however, that such company shall be a bank, trust company or national banking association meeting the requirements set forth in Section 8.08.

Section 8.11. Adoption of Authentication. In case any of the Series 2013 A Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Series 2013 A Bonds so authenticated, and, in case any Series 2013 A Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Series 2013 A Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent. The Paying Agent for the Series 2013 A Bonds shall be the Commission or any other Paying Agent appointed by the Issuer pursuant to a Supplemental Resolution pertaining to such Series 2013 A Bonds. Any alternate Paying Agent must be a bank, trust company, national banking association or other entity authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Series 2013 A Bonds shall be and remain DTC-Eligible.

Each Paying Agent shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by such Paying Agent in connection with such services solely from moneys available therefore.

Any bank, trust company or national banking association with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Ordinance. If the position of Paying Agent shall become vacant for any reason, the Issuer shall, within 30 days thereafter, appoint a bank, trust company or national banking association located in the same city as such Paying Agent to fill such vacancy; provided, however, that, if the Issuer shall fail to appoint such Paying Agent within said period, the Bond Commission, a court of competent jurisdiction or a majority of the Registered Owners may make such appointment.

The Paying Agents shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in this Article VIII with respect to the Registrar, insofar as such provisions may be applicable.

Notice of the appointment of successor or additional Paying Agents or fiscal agents shall be given in the same manner as provided by Section 8.08 hereof with respect to the appointment of a successor Registrar.

All moneys received by the Paying Agents shall, until used or applied as provided in this Ordinance, be held in trust for the purposes for which they were received.

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Registered Owners of all Series 2013 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 Ordinance, then this Ordinance and the pledges of the Gross Revenues and other moneys and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Registered Owners of the

Series 2013 A Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2013 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 Bond Commission or an escrow trustee either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Series 2013 A Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Series 2013 A Bonds prior to the maturity thereof, on and prior to said redemption date. Neither securities nor moneys deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Series 2013 A Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or redemption dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. This Ordinance and any Supplemental Resolution may be amended or modified without the consent of any Registered Owner or other person, solely for the purpose of maintaining the tax-exempt status of the Series 2013 A Bonds, provided that, in the event any of the Series 2013 A Bonds are insured, no such amendment or modification which adversely affects the security for such Series 2013 A Bonds or the rights of the applicable Bond Insurer for such Series 2013 A Bonds may be effected without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Registered Owners of 60% in aggregate principal amount of the Series 2013 A Bonds then Outstanding and affected thereby and the Bond Insurer, if any, which must be filed with the City Clerk of the Issuer before any such modification or amendment, if any, may be made. No such

modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Series 2013 A Bond without the express written consent of the Registered Owner of such Bond, nor reduce the percentage of Series 2013 A Bonds required for consent to any such modification or amendment.

Section 10.02. Evidence of Signatures of Registered Owners and Ownership of Series 2013 A Bonds. Any request, consent, revocation of consent or other instrument which this Ordinance may require or permit to be signed and executed by Registered Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Registered Owners in person or by their attorneys duly authorized in writing. Proof of the execution of any such instrument, or of an instrument appointing or authorizing any such attorney, shall be sufficient for any purpose of this Ordinance if made in the following manner, or in any other manner satisfactory to the Issuer or the Registrar, as the case may be, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

A. The fact and date of the execution by any Registered Owner or his attorney of any such instrument may be proved (i) by the certificate of a notary public or other officer authorized to take acknowledgments of deeds to be recorded in the jurisdiction in which he purports to act that the person signing such instrument acknowledged to him the execution thereof, or by the affidavit of a witness of such execution, duly sworn to before such a notary public or other officer or (ii) by the certificate, which need not be acknowledged or verified, of an officer of a bank, a trust company or a financial firm or corporation satisfactory to the Issuer or the Registrar, as the case may be, that the person signing such instrument acknowledged to such bank, trust company, firm or corporation the execution thereof.

B. The authority of a person or persons to execute any such instrument on behalf of a corporate Holder may be established without further proof if such instrument is signed by a person purporting to be the president or treasurer or a vice-president or an assistant treasurer of such corporation with a corporate seal affixed, and is attested by a person purporting to be its secretary or assistant secretary.

C. The amount of fully registered Series 2013 A Bonds held by a person executing any instrument as a Registered Owner, the date of his holding such Series 2013 A Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

Any request, consent or other instrument executed by the Registered Owner of any Bond shall bind all future Registered Owners of such Bond in respect of anything done or suffered to be done hereunder by the Issuer or the Registrar in accordance therewith.

Section 10.03. Preservation and Inspection of Documents. To the extent allowable under law, all reports, certificates, statements and other documents received by the Registrar under the provisions of this Ordinance shall be retained in its possession and shall be available at all reasonable times for the inspection of the Issuer or any Registered Owner, and their agents and their representatives, but any such reports, certificates, statements or other documents may, at the election of the Registrar, be destroyed or otherwise disposed of at any

time after such date as the pledge created by this Ordinance shall be discharged as provided in Section 9.01.

Section 10.04. Cancellation of Series 2013 A Bonds. All Series 2013 A Bonds purchased or paid shall, if surrendered to the Issuer, be canceled and delivered to the Registrar, or, if surrendered to the Registrar, be canceled by it. No such Series 2013 A Bonds shall be deemed Outstanding under this Ordinance and no Series 2013 A Bonds shall be issued in lieu thereof. All such Series 2013 A Bonds shall be canceled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Series 2013 A Bonds. Anything in this Ordinance to the contrary notwithstanding, any monies held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Series 2013 Bonds which remain unclaimed for two years after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a notice that such monies remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such monies then unclaimed will be returned to the Issuer.

Section 10.06. Notices, Demands and Requests. Unless otherwise expressly provided, all notices, demands and requests to be given or made hereunder to or by the Issuer, the Registrar, the Depository Bank, or the Original Purchaser shall be in writing and shall be properly made if sent by United States mail, postage prepaid, and addressed as follows or if hand-delivered to the individual to whom such notice, demand or request is required to be directed as indicated below:

CITY:

City of Clarksburg
c/o Clarksburg Water Board
1001 South Chestnut Street
Clarksburg, West Virginia 26101
Attention: General Manager

REGISTRAR

[Name(s) and address(s) to be set forth in Supplemental Resolution]

PAYING AGENT:

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attn: Executive Director

DEPOSITORY BANK:

[Name(s) and address(s) to be set forth in Supplemental Resolution]

ORIGINAL PURCHASERS:

Crews & Associates, Inc.
150 Clay Street, Suite 410
Morgantown, West Virginia 26501

Any party listed above may change such address listed for it at any time upon written notice of change sent by United States mail, postage prepaid, to the other parties.

Section 10.07. No Personal Liability. No member of the Council or officer or employee of the Issuer shall be individually or personally liable for the payment of the principal of or the interest on any Series 2013 A Bond, but nothing herein contained shall relieve any such member, official or employee from the performance of any official duty provided by law or this Ordinance.

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Series 2013 A Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 A Bonds and the Original Purchaser, any right, remedy or claim under or by reason of this Ordinance. All the covenants, stipulations, promises and agreements contained in this Ordinance by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 A Bonds and the Original Purchaser.

Section 10.10. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 10.11. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 10.12. Conflicting Provisions Repealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, provided however, that the Prior Ordinances shall remain in full force and effect so long as any of the Prior Bonds are Outstanding.

Section 10.13. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, City Clerk and members of the Council were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 10.14. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the City Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in the *Clarksburg Exponent/Telegram*, a newspaper published and having a general circulation in the City of Clarksburg, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds described in this Ordinance and that any person interested may appear before the Council of the Issuer at the public hearing to be had at a public meeting of the Council at the date, time and location stated in the notice, and present protests, and that a certified copy of this Ordinance is on file with the City Clerk for review by interested parties during the office hours of the City Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

[Remainder of Page Intentionally Blank]

Section 10.15. Effective Date. This Ordinance shall take effect immediately upon enactment.

First Reading: February 7, 2013

Second Reading: February 21, 2013

Passed on Final Reading Following Public Hearing: March 7, 2013

Enacted this 7th day of March, 2013.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

APPROVED AND CORRECT AS TO FORM:

_____
City Attorney

APPROVED:

_____
President, Clarksburg Water Board

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the Council of the CITY OF CLARKSBURG at a regular meeting of the Council held at 7:00 p.m., on March 7, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper published and having a general circulation in the City of Clarksburg, the first publication having been not less than 10 days prior to such public hearing.

Dated this 26th day of April, 2013.

[SEAL]

_____

City Clerk

EXHIBIT A - FORM OF SERIES 2013 A BOND

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BOND, SERIES 2013 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on _____ 1 and _____ 1, in each

year, beginning _____ 1, 20____ (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each _____ 15 and _____ 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2002 Bonds, (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on _____, 2013, and supplemented by supplemental resolutions adopted by said Council on _____, 2013, and _____, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

The Bonds of this issue are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Bonds maturing on or after _____, _____ are subject to redemption prior to maturity at the option of the Issuer on and after

_____, _____, in whole or in part at any time, in such order of maturity as shall be designated to the Registrar by the Issuer and by lot within a maturity, at the following redemption prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price
_____ to _____	$_____
_____ to _____	$_____
_____ to _____	$_____

(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, are subject to annual mandatory redemption prior to maturity by random selection on _____ of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing

Year ( )	Principal Amount

Bonds Maturing

Year ( )	Principal Amount

_____
* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to 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 and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said

Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manager

ATTEST:

(Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: _____, 20____.

_____,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES AND OTHER TERMS OF THE WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO THE ORIGINAL PURCHASER; APPOINTING A REGISTRAR AND PAYING AGENT FOR SUCH BONDS; APPROVING CERTAIN AMENDMENTS TO THE BOND AUTHORIZING ORDINANCE FOR THE SERIES 2013 A BONDS AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, The City of Clarksburg (the "Issuer") in the County of Harrison, State of West Virginia, is a municipal corporation and political subdivision of said State, the governing body of which is its Council (the "Governing Body");

WHEREAS, the Governing Body has duly and officially enacted on March 7, 2013, an Ordinance (the "Ordinance") entitled:

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Ordinance provides for the issuance by the Issuer of its Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) in an aggregate principal amount not to exceed $10,000,000 (the "Series 2013 A Bonds" or "Bonds") in accordance with Chapter 8, Article 19 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Issuer is advised that current market conditions are such that interest savings would be realized from the current refunding of its outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds") and the Issuer has determined that it is currently in the best interest of its residents to currently refund the Series 2002 Bonds through the issuance of its Series 2013 A Bonds;

WHEREAS, the Ordinance further provided that the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Bonds should be established by Supplemental Resolution or by a Certificate of Determinations, that a Registrar, Paying Agent and Depository Bank be designated, that a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Registrar Agreement and an Official Statement be approved and that other matters pertaining to the Bonds be provided for by a Supplemental Resolution of the Governing Body or pursuant to a Certificate of Determinations, that additional covenants and provisions relating to the Bonds be provided therein, and that other matters pertaining to the Bonds be provided for by a supplemental resolution of this Governing Body or by Certificate of Determinations;

WHEREAS, the Bonds are proposed to be purchased by Crews & Associates, Inc., Morgantown, West Virginia (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the Issuer, and agreed to by the Clarksburg Water Board (the "Board") to be dated the date of execution thereof (the "Bond Purchase Agreement");

WHEREAS, the Governing Body has determined that, in order to obtain the best possible savings for the City in the current interest rate environment, the Mayor and City Manager shall be empowered and authorized to execute the Bond Purchase Agreement, within the parameters set forth herein, at such time as the Mayor and City Manager shall determine most advantageous to the Issuer, or not at all; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental parameters resolution (the "Supplemental Parameters Resolution") be adopted, that the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax and Non-Arbitrage Certificate, the Registrar Agreement and the Prepayment Agreement hereinafter provided for be entered into by the Issuer, that the Preliminary Official Statement relating to the Bonds, hereinafter described, be approved, that the Mayor and City Manager be authorized to enter into the Bond Purchase Agreement within the parameters hereby approved by the

Governing Body, and that other matters relating to the Bonds be herein provided for all in accordance with the Ordinance;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLARKSBURG:

SECTION 1. For the purposes of (i) paying the entire outstanding principal balance of and all accrued interest on the Issuer's outstanding Series 2002 Bonds, (ii) funding a debt service reserve account for the Series 2013 A Bonds, and (iii) paying costs of issuance of the Series 2013 A Bonds and related costs, the Governing Body of the Issuer hereby authorizes and orders the issuance of the Series 2013 A Bonds in an aggregate principal amount not to exceed $10,000,000, provided that the Net Present Value of the savings of such refunding shall not be less than 3.0%.

SECTION 2. Pursuant to the Ordinance and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2013 A Bonds. The Series 2013 A Bonds shall be issued in the aggregate principal amount not to exceed $10,000,000, bear interest at a rate not to exceed 6%, payable semiannually on March 1 and September 1 of each year, and shall mature on September 1 in such years, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates (with final maturity no later than September 1, 2019) shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor and City Manager pursuant to the execution and delivery by the Mayor and City Manager of a Certificate of Determinations with respect to the Bonds, dated the date of the Bond Purchase Agreement, the form of which is attached hereto as EXHIBIT A and approved hereby (the "Certificate of Determinations"); and shall be substantially in the form set forth in the Ordinance, provided however, that the specific terms of the Series 2013 A Bonds shall be as determined by the Mayor and City Manager at the time of the execution of the Bond Purchase Agreement and as approved by the Mayor and City Manager in the Certificate of Determinations. All other provisions relating to the Series 2013 A Bonds shall be as provided in the Ordinance.

SECTION 3. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, and agreed to by the Board, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Issuer and the President of the Board of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager of the Issuer and the President of the Board thereof shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager of the Issuer and the President of the Board shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the Issuer and the President of the Board. The execution of the Bond Purchase Agreement by the Mayor and City Manager of the Issuer and the President of the Board shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Bonds, including the payment of all necessary fees and expenses in connection therewith.

SECTION 4. Proceeds of the Bonds shall be expended solely for the purposes set forth in the Ordinance and in the Certificate of Determinations.

SECTION 5. The Issuer is advised and hereby finds that based upon the assumed principal amount, maturity schedule and interest rates for the Series 2013 A Bonds presented to the Issuer by the Original Purchaser, the Series 2013 A Bonds show a net present value debt service savings to the Issuer after deducting all expenses of the refunding of the Series 2002 Bonds and the costs of issuing the Series 2013 A Bonds.

SECTION 6. The Tax and Non-Arbitrage Certificate, to be dated the date of execution and delivery of the Bonds (the "Tax Certificate"), and executed and delivered by the Issuer, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Tax Certificate with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Tax Certificate by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 7. The Continuing Disclosure Agreement, to be dated the date of execution and delivery of the Bonds (the "Disclosure Agreement"), by and among the Issuer, the Board and the Dissemination Agent named therein, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery thereof (in multiple counterparts) by the Mayor and City Manager of the City and the President of the Board shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager of the City and the President of the Board shall execute and deliver the Disclosure Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the City and the President of the Board. The execution of the Disclosure Agreement by the Mayor and City Manager of the City and the President of the Board shall be conclusive evidence of any approval required by this Section.

SECTION 8. The distribution by the Original Purchaser of a Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), substantially in the form submitted to this meeting is hereby ratified and approved. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor and City Manager is hereby approved. The Official Statement to be substantially in the form of the Preliminary Official Statement, (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor and City Manager of the Issuer and the President of the Board) and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The Mayor and City Manager of the Issuer and the President of the Board shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved. The execution of the Official Statement by the Mayor and City Manager of the Issuer and the President of the Board shall be conclusive evidence of any approval required by this Section.

SECTION 9. The Registrar Agreement by and between the Issuer and the Registrar designated herein, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be

approved by the Mayor and City Manager. The execution of the Registrar Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 10. The Prepayment Agreement by and among the Issuer, the West Virginia Municipal Bond Commission, as paying agent for the Series 2002 Bonds and the Series 2013 A Bonds, and the Registrar designated herein (the "Prepayment Agreement"), substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Prepayment Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Prepayment Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 11. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Bonds.

SECTION 12. The firm of Crews & Associates, Inc., Morgantown, West Virginia, is hereby appointed as the Underwriter and Original Purchaser of the Series 2013 A Bonds.

SECTION 13. The Issuer hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia, as the Paying Agent for the Series 2013 A Bonds and the Escrow Agent for the current refunding and redemption of the Series 2002 Bonds.

SECTION 14. The Issuer hereby appoints and designates WesBanco Bank, Inc., Clarksburg, West Virginia, as the Depository Bank for the Bonds.

SECTION 15. The Issuer hereby appoints and designates WesBanco Bank, Inc., Wheeling, West Virginia, as the Registrar for the Bonds.

SECTION 16. The Mayor, City Manager and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates, required or desirable in connection with the Bonds to the end that the Bonds may be delivered on a timely basis to the Original Purchaser pursuant to the Bond Purchase Agreement.

SECTION 17. The notice addresses for the Depository Bank, Paying Agent, Registrar and Original Purchaser shall be as follows:

DEPOSITORY BANK

WesBanco Bank, Inc.
140 West Main Street
Clarksburg, West Virginia 26301
Attention: Branch Manager

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attention: Executive Director

REGISTRAR

WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Corporate Trust Department

ORIGINAL PURCHASER

Crews & Associates, Inc.
150 Clay Street, Suite 410
Morgantown, West Virginia 26501

SECTION 18. The issuance of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

SECTION 19. The Issuer hereby covenants and agrees that it will not permit at any time or times any of the proceeds of the Series 2013 A Bonds or any other funds of the Issuer to be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Series 2013 A Bonds or Prior Bonds to be an "arbitrage bond" as defined in Section 148 of the Code, and the regulations promulgated pursuant thereto. The Mayor and City Manager of the Issuer are authorized and directed to execute and deliver such further instruments or agreements as shall be required to provide further assurances of the Issuer's compliance with this covenant.

SECTION 20. The Tax Compliance Policy attached hereto as Exhibit B is hereby approved and adopted for the use in connection with the Series 2013 A Bonds.

SECTION 21. The Mayor, City Manager and City Clerk, and all other appropriate officers and employees of the Issuer are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Series 2013 A Bonds to be duly and properly issued by the Issuer and delivered to the Original Purchaser as herein authorized and to otherwise facilitate the transaction contemplated by this Supplemental Parameters Resolution, and no

further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

SECTION 22. Section 6.04 of the Ordinance is hereby amended so as to read in its entirety as follows.

Section 6.04. Rates. Prior to the issuance of the Series 2013 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder.

So long as the Series 2013 A Bonds are outstanding, the Board covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Ordinance and in compliance with this Ordinance. In the event the schedule of rates and charges currently in effect for the System shall prove to be insufficient to produce the required sums set forth in this Ordinance, the Board 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 and charges and take all such actions necessary to prove funds sufficient to produce the required sums set forth in this Ordinance. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer and the Board hereby covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with all requisite appeal periods having expired (without successful appeal), whether or not such approved rates are being charged and collected by the Board.

The Board covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Accountant that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

SECTION 23. Section 6.06 of the Ordinance is hereby amended so as to read in its entirety as follows:

Section 6.06. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer and the Board shall not sell, mortgage, lease or otherwise dispose of or encumber the System except as provided in the Prior Ordinances. Additionally, so long as the Series 2013 A Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, or to defease the pledge created by this Ordinance and the Prior Ordinances except as provided below. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the respective Sinking Funds, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Board by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Board and the Issuer shall have and hereby reserve the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of $500,000, the Issuer and the Board shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $500,000 but not in excess of $5,000,000, the Issuer and the Board shall first, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $500,000 and not in excess of $5,000,000, shall be deposited by the Board into the Renewal and Replacement Fund. Such payments of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer or the Board if the proceeds to be derived therefrom shall be in excess of $5,000,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01,

without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer or the Board 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 24. Section 6.08 of the Ordinance is hereby amended so as to read in its entirety as follows:

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no Additional Parity Bonds, as in this section defined, payable out of the revenues of the System shall be issued after the issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

No such Additional Parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, or refunding the Prior Bonds, to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

So long as the Series 2013 A Bonds are Outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the two Fiscal Years following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with the time for all available appeals having expired (without successful appeal) prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the Board.

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

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

No Additional Parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance and the Prior Ordinances on account of the Bonds then Outstanding, if any (excluding the Renewal and Replacement Fund), and any other payments provided for in this Ordinance and the Prior Ordinances shall have been made in full as required to the date of delivery of the Additional Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and the Prior Ordinances.

Provided, however, that when the Prior Bonds are no longer outstanding or in the event that the registered owners of the Prior Bonds waive the applicability of certain covenants contained in the Prior Ordinances, if the most recent audit by an independent certified public accountant for the Issuer or the Board for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the Issuer or the Board was not in compliance with the rate covenant in Section 6.04 of this Ordinance for the year being audited and the Board has, as required by Section 6.04, enacted a rate ordinance for which all applicable appeal periods shall have expired (without successful appeal) implementing a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the Issuer from issuing Additional Parity Bonds under this Section 6.08.

SECTION 25. This Supplemental Parameters Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Blank]

Adopted this 21st day of March, 2013.

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

[SEAL]

Attest:

_____
City Clerk

CERTIFICATION

Certified a true copy of a Supplemental Parameters Resolution duly adopted by the Council of the CITY OF CLARKSBURG on March 21, 2013, which Supplemental Parameters Resolution has not been repealed, rescinded, modified, amended or revoked, as of the date hereof.

Dated this _____ day of _____, 2013.

By: _____
City Clerk

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

CERTIFICATE OF DETERMINATIONS

The undersigned, Patsy Trecost, Mayor and Martin Howe, City Manager of the City of Clarksburg (the "Issuer") and the undersigned President of the Clarksburg Water Board (the "Board"), in accordance with the Bond Ordinance enacted by the Issuer on March 7, 2013, as supplemented and amended by the Supplemental Parameters Resolution adopted by the Issuer on March 21, 2013 (collectively, the "Bond Ordinance"), and in accordance with the Supplemental Parameters Resolution adopted by the Board on March 26, 2013 (the "Board Resolution"), with respect to the Issuer's Water Refunding Revenue Bonds, Series 2013 A (the "Series 2013 A Bonds"), hereby finds and determines this ____ day of _____, 2013 as follows:

1. The Series 2013 A Bonds shall be dated _____ , 2013, shall bear interest payable on March 1 and September 1 of each year commencing _____ 1, 20___.

2. The Series 2013 A Bonds shall be issued in the aggregate principal amount of $_____, which does not exceed the $10,000,000 maximum principal amount authorized pursuant to the Bond Ordinance and the Board Resolution. The interest rates on the Series 2013 A Bonds set forth in Schedule 1 attached hereto do not exceed 6%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The Net Present Value of the savings realized from such refunding is not less than 3%.

3. The Series 2013 A Bonds shall mature in the amounts and on the dates and shall be subject to [mandatory sinking fund redemption] in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2013 A Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2013 A Bonds shall be subject to optional redemption as set forth on Schedule 2 attached hereto and incorporated herein.

6. The Series 2013 A Bonds shall be sold to Crews & Associates, Inc. (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, and agreed to by the Board, at an

aggregate purchase price of $_____(representing par value less an Underwriter's discount of $_____and less an original issue discount of $_____).

7. The forms of the Bond Purchase Agreement, the Tax Certificate, the Continuing Disclosure Agreement, the Official Statement, the Rule 15c2-12 Certificate and the Registrar Agreement attached hereto are hereby approved by the Issuer.

8. The forms of the Bond Purchase Agreement, Continuing Disclosure Agreement and the Official Statement attached hereto are hereby approved by the Board.

The undersigned hereby certify that the foregoing terms and conditions of the Series 2013 A Bonds are within the parameters prescribed by the Bond Ordinance, and the Series 2013 A Bonds may be issued with such terms and conditions as authorized by the Bond Ordinance.

[Remainder of Page Intentionally Blank]

WITNESS our signatures the day and year first written above.

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

CLARKSBURG WATER BOARD

By: _____
Its: President

SCHEDULE 1

SERIES 2013 A BOND TERMS

Bond No.	Maturity Date (September 1)	Principal Amount	Interest Rate	Yield	CUSIP
AR-1					
AR-2					
AR-3					
AR-4					
AR-5					

SCHEDULE 2

SERIES 2013 A BONDS REDEMPTION PROVISIONS:

Optional Redemption

Mandatory Redemption

EXHIBIT B

TAX COMPLIANCE POLICIES

Purpose

Governmental issuers of tax-exempt and tax-credit bonds must comply with certain federal tax rules pertaining to expenditure of proceeds for qualified costs, rate of expenditure, use of bond financed property, investment of proceeds in compliance with arbitrage rules, and retention of records. The following policies are intended to establish compliance by the City of Clarksburg, West Virginia (the *"Issuer"*), as the issuer, with these rules in connection with the issuance of the Issuer's Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "*Tax-Exempt Bonds*"). It is understood and agreed by the Issuer, and the Issuer has covenanted to take all actions necessary to maintain the Tax-Exempt Bonds as tax-exempt state and local bonds.

Tax Requirements Associated with Sale and Issuance of Bonds

Review and retention of tax documents related to the sale and issuance of Bonds will be supervised by the City Finance Director or his designee (the "*Oversight Officer*").

- Form 8038-G (tax exempt bonds) will be reviewed and filed not later than the 15th day of the 2nd calendar month following the quarter in which the bonds were issued. Filing of appropriate version or versions of Form 8038-G will be confirmed with bond counsel.

Expenditure of Proceeds for Governmental Costs

Expenditure of bond proceeds will be reviewed by the Oversight Officer.

- Bond proceeds will be disbursed pursuant to the Bond Ordinance, and will be a written order of an Authorized Officer, stating the date, amount and purpose of the disbursement.

- Requisitions must identify the financed property in conformity with the Tax and Non-Arbitrage Certificate executed by the Issuer at closing, including any certifications as to the character and average economic life of the bond-financed property.

- Requisitions for costs that were paid prior to the issuance of the bonds are, in general, limited to costs paid subsequent to, or not more than 60 days prior to, the date a "declaration of intent" to reimburse the costs was adopted by the City. If proceeds are used for reimbursement, a copy of the declaration will be obtained and included in the records for the Tax-Exempt Bonds, if not already part of the bond transcript.

- Requisitions will be in accordance with expectations to spend or commit 5% of net sale proceeds within 6 months, to spend 85% of net sale proceeds within 3 years, and to proceed with due diligence to complete the project and fully spend the net sale proceeds. Expected expenditure schedules, project timelines, and plans and specifications will be maintained to support expectations. Reasons for failure to meet the expected schedule will be documented and retained in the records for the Tax-Exempt Bonds.

- If the 18-month spending exception to rebate applies, expenditure of gross proceeds will be monitored against the following schedule for the arbitrage rebate exception for the issue, if applicable:

  15% within 6 months
  60% within 12 months
  100% within 18 months

- If the 2-year spending exception to rebate applies, expenditure of "available construction proceeds" will be monitored against the following schedule for the arbitrage rebate exception for construction issues if applicable:

  10% within 6 months
  45% within 12 months
  75% within 18 months
  100% within 24 months

Expenditure of Proceeds

In addition to the general review of expenditures described above, expenditure of proceeds of the Tax-Exempt Bonds will be reviewed by the Oversight Officer.

- Reserve funds cannot exceed the least of 10% of bond proceeds, maximum annual debt service, or 125% of average annual debt service. The initial funding of any reserve fund will be measured against this limit.

- Only a small portion (5%) of the proceeds of Tax-Exempt Bonds can be used for operating expenses or other "working capital" costs. Requisitions for costs of the Project will accordingly be monitored to confirm that they are for capital costs of the Project.

- Investment earnings on sale proceeds of the Tax-Exempt Bonds will be tracked and will be requisitioned only for appropriate expenditures.

Use of Bond-Financed Property

Use of bond-financed property when completed and placed in service will be reviewed by the Oversight Officer.

- Average nonexempt use of bond-financed property over the life of the issue cannot exceed 10% of the proceeds.

- Agreements with business users or non-profit organizations for lease or management or services contracts, sponsored research, naming rights or any other potential nonexempt use of bond-financed property will be reviewed prior to execution of any contract to determine if property subject to the Bond Ordinance is bond-financed.

- Agreements with business users or other non-profit organizations for lease or management or services contracts or other private business use involving bond-financed property will be tracked and aggregated with other private business uses for compliance with the 10% limit, as set forth in the Tax and Non-Arbitrage Certificate.

- No item of bond-financed property will be sold or transferred to a nonexempt party without advance arrangement of a "remedial action" under the applicable Income Tax Regulations.

Investments and IRS Filings

Investment of bond proceeds in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Oversight Officer.

- Guaranteed investment contracts ("*GIC*") will be purchased only using the three-bid "safe harbor" of applicable Income Tax Regulations, in compliance with fee limitations on GIC brokers in the Income Tax Regulations.

- Other investments will be purchased only in market transactions.

- Calculations of rebate liability will be performed annually by outside consultants.

- Rebate payments will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance and (b) the final retirement of the issue. Compliance with rebate requirements will be reported to the bond trustee and the issuer.

- Identify date for first rebate payment at time of issuance. Enter in records for the issue.

Records

Management and retention of records related to tax-exempt bond issues will be supervised by the Oversight Officer.

- Records will be retained for the life of the bonds plus any refunding bonds plus three years. Records may be in the form of documents or electronic copies of documents, appropriately indexed to specific bond issues and compliance functions.

- Retainable records pertaining to the Tax-Exempt Bonds include transcript of documents executed in connection with the issuance of the bonds (including authorizing resolutions, Bond Ordinance, Form 8038-G, and Tax and Non-Arbitrage Certificate) and any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T.

- Retainable records pertaining to expenditures of bond proceeds include requisitions, accounting statements and final allocation of proceeds.

- Retainable records pertaining to use of property include all agreements reviewed for nonexempt use and any reviewed documents relating to unrelated business activity.

- Retainable records pertaining to investments include GIC documents under the Income Tax Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

Overall Responsibility

Overall administration and coordination of this policy is the responsibility of the Oversight Officer.

CITY OF CLARKSBURG, WEST VIRGINIA

_____

By: City Manager

_____

By: Mayor

Date: _____, 2013

APPENDIX G

BOOK-ENTRY ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that City believes to be reliable, but City takes no responsibility for the accuracy thereof.

APPENDIX H

ANNUAL DEBT SERVICE FOR PRIOR BONDS AND SERIES 2013 A BONDS

The following table sets forth for each fiscal year during which the Bonds will be outstanding the amounts payable from Gross Revenues as principal of and interest on the Bonds.

Series 2001 Bonds	**Series 2004 Bonds**	**Series 2013 Bonds**

NEW ISSUE-FULL BOOK ENTRY
TAX-EXEMPT

In the opinion of Steptoe & Johnson PLLC, Bond Counsel, under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest (including any original issue discount properly allocable to owners of the Series 2013 A Bonds) on the Series 2013 A Bonds (i) is excludable from gross income of the owners thereof for Federal income tax purposes, assuming compliance with certain provisions described herein pertaining to the Internal Revenue Code of 1986, as amended, and (ii) is not a specific item of tax preference, under Section 57(a)5 of the Code, in computing the federal alternative minimum tax imposed on individuals and corporations, and (iii) under the laws of the State of West Virginia, the Series 2013 A Bonds and the income therefrom is exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes (see "TAX MATTERS" herein).

CITY OF CLARKSBURG (WEST VIRGINIA)
$9,220,000
WATER REFUNDING REVENUE BONDS, SERIES 2013 A (TAX-EXEMPT)

Dated: Date of Delivery

Due: September 1, as shown below

The City of Clarksburg's (the "City") Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds") are issuable only as fully registered bonds without coupons in denominations of $5,000 and integral multiples thereof for any year of maturity. All of the Series 2013 A Bonds initially will be maintained under a book-entry system under which The Depository Trust Company, New York, New York ("DTC"), will act as securities depository. Purchases of the Series 2013 A Bonds will be in book-entry form only. Semiannual interest on the Series 2013 A Bonds is payable beginning September 1, 2013, and each March 1 and September 1 thereafter for the term of the Series 2013 A Bonds. So long as the Series 2013 A Bonds are maintained under a book-entry system, payments of the principal of, premium, if any, and interest on the Series 2013 A Bonds will be made when due by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent, to DTC in accordance with the Ordinance and any Supplemental Resolutions, and the Paying Agent will have no obligation to make any payments to any beneficial owner of any Series 2013 A Bonds. See "THE SERIES 2013 A BONDS" herein and "APPENDIX G – BOOK-ENTRY ONLY SYSTEM."

The proceeds of the Series 2013 A Bonds shall be used, together with other available funds, (i) to finance the costs of currently refunding the City's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 of which $10,515,000 is outstanding (the "Series 2002 Bonds"); (ii) to fund a reserve account for the Series 2013 A Bonds; and (iii) to pay costs of issuance of the Series 2013 A Bonds and related costs.

The Series 2013 A Bonds are payable from and secured by the Gross Revenues derived from the existing public waterworks system of the City and any extensions, improvements and betterments thereto on parity with the outstanding Prior Bonds, as herein defined, and from the funds on deposit in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein with respect to the Series 2013 A Bonds, all as more fully described herein. The Series 2013 A Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the principal of, premium, if any, and interest on the Series 2013 A Bonds, except from the Gross Revenues and such respective funds on deposit with the Municipal Bond Commission. No Owner or Owners of the Series 2013 A Bonds issued shall ever have the right to compel the exercise of the taxing power of the City to pay the Series 2013 A Bonds or the interest thereon.

The City has designated the Bonds as "qualified tax-exempt obligations," therefore, the Bonds are treated as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3)(B) of the code. See "TAX MATTERS" for more detail regarding the opinion Bond Counsel gives regarding such designation.

The Series 2013 A Bonds are not subject to redemption prior to maturity.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Series 2013 A Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale, to withdrawal or modification of the offering without notice and to the unqualified approval of legality by Steptoe & Johnson PLLC, Charleston, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the City by Gregory A. Morgan, Esquire, of Young, Morgan & Cann, PLLC Clarksburg, West Virginia, as City Attorney, and for the Clarksburg Water Board by Kay Casto & Chaney, PLLC, Morgantown, West Virginia, Counsel to the Clarksburg Water Board. Jackson Kelly PLLC, Charleston, West Virginia, as counsel to the Underwriter, will pass upon certain legal matters for the Underwriter. It is expected that the Series 2013 A Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York, on or about April 26, 2013.

Dated: April 9, 2013

Crews&Associates
Member First Security Bancorp

MATURITIES, AMOUNTS, INTEREST RATES, PRICES, YIELDS AND CUSIPS*

$9,220,000 Series 2013 A Serial Bonds

Maturity (September 1)	Amount	Interest Rate	Price	Yield	CUSIP
2013	$ 475,000	1.000%	100.138%	0.600%	182072 DA3
2014	$1,520,000	1.100%	100.000%	1.100%	182072 DB1
2015	$1,535,000	1.350%	100.000%	1.350%	182072 DC9
2016	$1,560,000	1.650%	100.000%	1.650%	182072 DD7
2017	$1,585,000	2.000%	100.000%	2.000%	182072 DE5
2018	$1,620,000	2.100%	100.000%	2.100%	182072 DF2
2019	$ 925,000	2.200%	100.000%	2.200%	182072 DG0

* CUSIP numbers have been assigned by an independent company not affiliated with the City and are included on this cover page solely for the convenience of the Owners of the Bonds only at the time of issuance of the Bonds. Neither the Underwriter nor the City makes any representation with respect to the accuracy of such CUSIP numbers as indicated in the above table or undertakes any responsibility for the selection of the CUSIP numbers or their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds.

CITY OF CLARKSBURG, WEST VIRGINIA

Patsy Trecost, II, Mayor
Katherine Goings, Vice Mayor

CITY COUNCIL

Katherine Goings	Robert Caplan	Margaret A. Bailey
Gary Bowden	Sam Lopez	Mary Mayer

CITY MANAGER	CITY CLERK	CITY ATTORNEY
Martin Howe	Annette Wright	Gregory A. Morgan, Esq.

CLARKSBURG WATER BOARD

Albert N. Cox, II	President
John P. Keeley	Board Member
Charles O. Thayer	Board Member

WATER BOARD GENERAL MANAGER

Richard D. Welch

WATER BOARD DIRECTOR OF FINANCE

Linda Hughes

WATER BOARD GENERAL COUNSEL

Kay Casto & Chaney, PLLC
Morgantown, West Virginia

BOND COUNSEL

Steptoe & Johnson PLLC
Charleston, West Virginia

REGISTRAR

WesBanco Bank, Inc.
Wheeling, West Virginia

PAYING AGENT

West Virginia Municipal Bond Commission
Charleston, West Virginia

UNDERWRITER

Crews & Associates, Inc.
Morgantown, West Virginia

UNDERWRITER'S COUNSEL

Jackson Kelly PLLC
Charleston, West Virginia

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2013 A Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the City of Clarksburg, West Virginia, or the Underwriter to give any information or to make any representations, other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. The information set forth herein has been obtained from the City of Clarksburg, the Clarksburg Water Board and other sources, which are believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriter. The information and any expression of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the City of Clarksburg, West Virginia, as it relates to the System, since the date hereof. This Official Statement is submitted in connection with the sale of securities referred to herein, and may not be reproduced or used, in whole or in part, for any other purposes.

The information contained in this Official Statement has been obtained from the City and other sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by any of the foregoing. The presentation of such information is intended to show recent historic information and is not intended to indicate future or continuing trends. No representation is made that the past experience, as shown by such financial and other information, will necessarily continue or be repeated in the future. This Official Statement contains, in part, estimates and matters of opinion, whether or not expressly stated to be such, which are not intended as statements or representations of fact or certainty, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City.

The Series 2013 A Bonds shall not be or constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, and from the funds on deposit in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein with respect to the Series 2013 A Bonds and the unexpended proceeds of the Series 2013 A Bonds, with respect to the Series 2013 A Bonds all as herein provided. No Holder or Holders of the Series 2013 A Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the City to pay the Series 2013 A Bonds or the interest thereon.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimated," "forecasted," "intended," "expected," "anticipated," "projected" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts

and actual results, and those differences may be material. For a discussion of certain of such risks and possible variations in results, see the information under "INVESTMENT CONSIDERATIONS."

You should make your own decision whether this offering meets your investment objectives and risk tolerance level. No federal or state securities commission has approved, disapproved, endorsed or recommend this offering. No independent person has confirmed the accuracy or truthfulness of this disclosure, nor whether it is complete.

The Ordinance has not been qualified under the Trust Indenture Act of 1939, as amended because of available exemptions therefrom.

The following sentence has been provided by the Underwriter for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The Series 2013 A Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency has determined or confirmed the accuracy of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2013 A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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OFFICIAL STATEMENT

$9,220,000

CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS, SERIES 2013 A (TAX-EXEMPT)

INTRODUCTION

This Official Statement, including the cover page and appendices, is provided for the purpose of setting forth certain information concerning the City of Clarksburg, West Virginia (the "City"), the Clarksburg Water Board (the "Board"), the City's public waterworks system which is operated on behalf of the City by the Board as hereinafter described in "APPENDIX B – THE SYSTEM" (the "System"), and the City's $9,220,000 in aggregate principal amount of Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds"). The Series 2013 A Bonds are being issued pursuant to the Constitution and laws of the State of West Virginia (the "State"), specifically Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act'), and an Ordinance enacted by the City Council of the City on March 7, 2013 (the "Original Ordinance"), as supplemented by a Supplemental Parameters Resolution adopted by the City Council of the City on March 21, 2013 (the "Supplemental Resolution" and together with the Original Ordinance, the "Ordinance"), and a Certificate of Determinations, signed by the Mayor and City Manager of the City, dated April 9, 2013. See "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

The proceeds of the Series 2013 A Bonds will be used, together with other available funds, as follows: (i) to finance the costs of currently refunding the City's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 of which $10,515,000 is outstanding (the "Series 2002 Bonds"); (ii) to fund a reserve account for the Series 2013 A Bonds; and (iii) to pay costs of issuance of the Series 2013 A Bonds and related costs. The City expects to redeem and pay in full the Series 2002 Bonds on or about May 29, 2013.

There are outstanding obligations (and the December 31, 2012 balances) of the City which will rank on a parity with the Series 2013 A Bonds as to liens, pledge, source of and security for payment from the Gross Revenues derived from the System (both as hereinafter defined), as follows:

(1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850, and outstanding as of December 31, 2012 in the principal amount of $1,220,955 (the "Series 2001 A Bonds"); and

(2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764, and outstanding as of December 31, 2012 in the principal amount of $1,341,707 (the "Series 2004 A Bonds").

The Series 2001 A Bonds and the Series 2004 A Bonds are hereinafter collectively called the "Prior Bonds." The ordinances which authorized the issuance of the Prior Bonds are herein collectively referred to as the "Prior Ordinances."

The Series 2013 A Bonds are payable from and secured by the Gross Revenues derived from the System on parity with the Prior Bonds and from the funds on deposit in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein. The Series 2013 A Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the Series 2013 A Bonds or premium, if any, or the interest thereon except from the sources provided above. See "SECURITY FOR THE SERIES 2013 A BONDS."

The Board operates and maintains the System and pursuant to its charter sets rates for the System. The Board has covenanted and agreed to fix and establish, in a manner and form required by law, rates and charges for the use of the System and the services rendered thereby sufficient (together with other revenues of the System) (i) to provide for all Operating Expenses of the System, and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year to pay the principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. The City has covenanted to take all actions necessary to facilitate this covenant. See "SECURITY FOR THE SERIES 2013 A BONDS – Rate Covenant," and "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

The Series 2013 A Bonds will be dated, will mature, will bear interest and will be subject to redemption prior to maturity as more fully described on the cover page and under the heading "THE SERIES 2013 A BONDS" herein. The Series 2013 A Bonds initially will be maintained under a book-entry system. So long as the Series 2013 A Bonds are maintained under a book-entry system, the manner of payment, the denominations, the transfer and exchange of ownership and the method of providing notice of redemption to the owners of the Series 2013 A Bonds shall be determined as described in "APPENDIX G – BOOK-ENTRY ONLY SYSTEM." If the book-entry system is discontinued, principal of, interest, and premium, if any, on the Series 2013 A Bonds will be payable by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (the "Bond Commission" or "Paying Agent"), to the owners thereof at the addresses appearing in the books kept by WesBanco Bank, Inc., Wheeling, West Virginia, as bond registrar (the "Registrar"). For further information describing the method of payment and other matters in the event the book-entry system is discontinued, see "THE SERIES 2013 A BONDS" herein.

For a description of the exclusion of interest on the Series 2013 A Bonds from gross income for federal and state income tax purposes, see "TAX MATTERS" herein.

At the request of the Board, the City may issue additional bonds on parity with the Prior Bonds and with the Series 2013 A Bonds for the purposes of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, of refunding all or a portion of the Series 2013 A Bonds or any parity bonds issued pursuant to the Ordinance and the Prior Ordinances, or refunding the Prior Bonds, of paying claims which may exist against the revenues or facilities of the System, or of all such purposes, subject in each case to certain tests and conditions provided for by the Ordinance. See "SECURITY FOR THE

SERIES 2013 A BONDS – ADDITIONAL PARITY BONDS" and "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Brief descriptions of the Series 2013 A Bonds, the System, the City, the Board and certain provisions of the Ordinance and the Act are set forth in this Official Statement, as well as other information contained in the appendices hereto. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Ordinance, provisions of the Act and other applicable laws of the State are qualified in their entirety by reference to each such document or law. References herein to the Series 2013 A Bonds are qualified in their entirety by reference to the form thereof included in the Ordinance and the information with respect thereto included in the aforesaid documents. Capitalized terms used and not otherwise defined in this Official Statement shall have the respective meanings given them in the Ordinance. Copies of the Ordinance and other applicable documents may be obtained from the City or, during the period of offering the Series 2013 A Bonds, from the Underwriter.

FINANCING PLAN

The proceeds of the Series 2013 A Bonds will be used, together with other available funds, as follows: (i) to finance the costs of currently refunding the City's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 of which as of December 31, 2012, $10,515,000 is outstanding (the "Series 2002 Bonds"); (ii) to fund the Series 2013 A Bonds Reserve Account; and (iii) to pay costs of issuance of the Series 2013 A Bonds and related costs. The City expects to redeem and pay in full the Series 2002 Bonds for redemption on or about May 29, 2013.

Series 2013 A Bonds

Sources and Uses of Funds

Sources of Funds:	
Principal Amount of Series 2013 A Bonds	$9,220,000.00
Original Issue Premium	$ 655.50
Transfer from Series 2002 Bonds DSR Funds	$1,808,383.97
Transfer from Series 2002 Bonds Debt Service Funds	$ 961,713.57
Total Sources	$11,990,753.04
Uses of Funds:	
Deposit to Prepayment Fund for Current Refunding	$10,751,572.50
Deposit to Series 2013 A Bonds Reserve Account	$ 922,000.00
Costs of Issuance (1)	$ 317,180.54
Total Uses	$11,990,753.04

(1) Includes legal and financing fees, bond counsel fees, Underwriter's discount and Underwriter's counsel fee, rounding, registrar's fee, and other miscellaneous expenses relating to the issuance of the Series 2013 A Bonds.

THE SERIES 2013 A BONDS

General

Series 2013 A Bonds

The Series 2013 A Bonds shall be dated the date of delivery, and shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 A Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 A Bonds shall be in default, Series 2013 A Bonds issued in exchange for Series 2013 A Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 A Bonds surrendered. The Series 2013 A Bonds will bear interest from their date, payable semiannually on each March 1 and September 1, commencing September 1, 2013, upon original issuance, at the rates per annum and will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. Interest accruing on the Series 2013 A Bonds shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, to the Registered Owner as of the applicable Record Date (each February 15 and August 15) or, in the event of a default in the payment of the Series 2013 A Bonds, that special record date to be fixed by the Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by the Registrar, or at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender for payment at the office of the Paying Agent, in Charleston, West Virginia.

The Series 2013 A Bonds will be issued as fully registered bonds in denominations of $5,000 or integral multiples thereof for any year of maturity. The Series 2013 A Bonds initially shall be maintained under a book-entry system; Beneficial Owners shall have no right to receive physical possession of the Series 2013 A Bonds and payments of principal of, redemption price if any, and interest on the Series 2013 A Bonds will be made as described in "APPENDIX G – BOOK-ENTRY ONLY SYSTEM." If the book-entry system is discontinued, interest on the Series 2013 A Bonds will be payable by check or draft made payable and mailed to the owners thereof at the addresses appearing in the books kept by the Registrar as of the 15th day of the month preceding such interest payment date (the "Record Date"). If the book-entry system is discontinued, principal of and premium, if any, on the Series 2013 A Bonds will be payable to the owner thereof upon surrender thereof at the office of the Paying Agent.

Redemption

The Series 2013 A Bonds are not subject to redemption prior to their stated maturity.

SECURITY FOR THE SERIES 2013 A BONDS

The Series 2013 A Bonds are special obligations of the City and are payable as to principal, premium, if any, and interest solely from the sources described below. The City is under no obligation to pay the Series 2013 A Bonds except from said sources.

Sources of Payment

The payment of the debt service on the Series 2013 A Bonds shall be secured forthwith equally and ratably by a first lien on and pledge of the Gross Revenues derived from the operation of the System on parity with each other and the Prior Bonds. The payment of the debt service on the Series 2013 A Bonds is also secured by the funds on deposit in the Series 2013 A Bonds Sinking Fund, including the Series 2013 A Bonds Reserve Account therein. See "APPENDIX H – ANNUAL DEBT SERVICE FOR SERIES 2013 A BONDS" for more information. The Gross Revenues derived from the System are irrevocably pledged to the payment of the principal of and interest on the Prior Bonds and the Series 2013 A Bonds as the same become due and for the other purposes provided in the Ordinance. The City and the Board have covenanted that the Gross Revenues shall be sufficient (1) to pay the principal of and interest on the Prior Bonds, (2) to make the payments into the Series 2013 A Bonds Sinking Fund, (3) to make the payments into the Series 2013 A Bonds Reserve Account and the Prior Bonds Reserve Accounts, and (4) to make all other payments provided for in the Ordinance. See "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Rate Covenant

The Board has covenanted and agreed that rates and charges for the use of the System, will be sufficient (together with other revenues of the System) (i) to provide for all Operating Expenses of the System, and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year to pay the principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. The Board is required to commence enactment of such ordinances as may be required to increase such rates and charges within thirty (30) days following a determination by the Independent Accountant that less than the above required coverage exists or in the event that the annual audit report shows that less than the above-required coverage exists. The City has covenanted to take all actions necessary to facilitate this covenant. See "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Enforcement of Collections

The City and the Board covenant to diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and to take all steps, actions and proceedings for the enforcement and collection of such fees, rentals and 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 (the "Commission") or other laws of the State. The City and the Board covenant and agree that they will, subject to the laws of the State and regulations of the Commission, discontinue services to all delinquent users of services and facilities of the System, until such delinquent amounts, including penalties and

reconnect fees, have been fully paid, or a payment agreement in compliance with the Commission regulations has been entered. See "APPENDIX B – THE SYSTEM" and "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION".

Series 2013 A Bonds Reserve Account

The Series 2013 A Bonds Reserve Account will be fully funded at closing in the amount of the reserve requirement for the Series 2013 A Bonds. In the event funds in the Series 2013 A Bonds Sinking Fund are insufficient to pay the principal of and/or interest on the Series 2013 A Bonds, the Bond Commission shall withdraw from the Series 2013 A Bonds Reserve Account and transfer to the Series 2013 A Bonds Sinking Fund sufficient amounts to make payments of principal of and/or interest on the Series 2013 A Bonds as the same become due from cash on deposit in the Series 2013 A Bonds Reserve Account.

In the event of a transfer from the Series 2013 A Bonds Reserve Account to the Series 2013 A Bonds Sinking Fund as aforesaid, the City shall restore the balance to the Series 2013 A Bonds Reserve Account in an amount equal to the Series 2013 A Bonds Reserve Requirement by making not less than 12 equal monthly payments. Any deficiencies in the Series 2013 A Bonds Reserve Account or any Reserve Account required for the Prior Bonds (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) shall be promptly eliminated with monies from the Renewal and Replacement Fund. The City shall restore any withdrawals from the Series 2013 A Bonds Reserve Account which have the effect of reducing the assets therein below the Series 2013 A Bonds Reserve Requirement, from the first Gross Revenues available after all required payments have been made in full in the order set forth in the Ordinance. See "APPENDIX F—FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Application of Revenues

The entire Gross Revenues derived from the operation of the System shall be deposited by the Board on behalf of the City in the Revenue Fund and shall be disposed of only in the following manner and order of priority:

(1) first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the interest on the Prior Bonds; and (ii) commencing 7 months prior to the first interest payment date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2013 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 2013 A Bonds Sinking Fund and the next ensuing semiannual interest payment date is more or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; and provided further that, the initial amount required to be transferred from the Revenue Fund and deposited in the

Series 2013 A Bonds Sinking Fund shall be reduced by the amount of accrued interest on the Series 2013 A Bonds deposited therein, and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2013 A Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund;

(2) next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the principal of the Prior Bonds; and (ii) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund and in the Series 2013 A Bonds Redemption Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2013 A Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2013 A Bonds on the next ensuing principal payment date or mandatory Redemption Date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next ensuing principal payment date or mandatory Redemption Date is more or less than 13 months (or 7 months if the Series 2013 A Bonds mature semiannually rather than annually), then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund and not previously credited pursuant to the preceding clause;

(3) next, each month, transfer from the Revenue Fund to the Operation and Maintenance Fund an amount sufficient to pay all Operating Expenses of the System;

(4) next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the respective Reserve Accounts of the Prior Bonds the amounts required by the Prior Ordinances; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2013 A Bonds, if not fully funded upon issuance of the Series 2013 A bonds, for deposit in the Series 2013 A Bonds Reserve Account, an amount equal to $1/120^{th}$ of the Series 2013 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2013 A Bonds Reserve Requirement, and thereafter the City shall deposit an amount sufficient to remedy any decrease in value of the Series 2013 A Bonds Reserve Account below the Series 2013 A Bonds Reserve Requirement or any withdrawal from the Series 2013 A Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2013 A Bonds Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2013 A Bonds Reserve Account is less than the Series 2013 A Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2013 A Bonds Reserve Account for deposit into the Series 2013 A Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefore, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2013 A Bonds Reserve Account to an amount equal to the Series 2013 A Bonds Reserve Requirement to

the full extent that such Gross Revenues are available; provided however, that if the shortfall in the Series 2013 A Bonds Reserve Account is due to a decrease in value of investments therein, such shortfall shall be replenished by not less than 6 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2013 A Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2013 A Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Series 2013 A Bonds Reserve Requirement;

(5) next, on the first day of each month, transfer from the monies remaining in the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund (as previously set forth in the Prior Ordinances and not in addition thereto), a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account;

(6) if on any monthly payment date the revenues of the System are insufficient to make the required deposits in any of the funds and accounts as hereinabove provided, the deficiency shall be made up on the next ensuing payment dates by payments in addition to the payments which are otherwise required to be made into the funds on such ensuing payment dates; and

(7) next, each month, after making the above required transfers of moneys from the Revenue Fund, apply any remaining revenues ("Surplus Revenues") to the payment of debt service on any other subordinate Bonds, notes, certificates or other obligations of the System.

Principal and interest payments, and any payments made for the purpose of funding the Reserve Accounts, shall be made on a parity basis and pro-rata, with respect to the Prior Bonds, the Series 2013 A Bonds and any parity Bonds hereinafter issued, in accordance with the respective principal amounts of each such series of Bonds then Outstanding, if less than the full amount required hereby.

Any Surplus Revenues then remaining in the Revenue Fund may be used for any lawful purpose of the System. See "APPENDIX F –FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

Additional Parity Bonds

So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no Additional Parity Bonds, as defined in the Ordinance, payable out of the revenues of the System shall be issued after the issuance of the Series 2013 A Bonds pursuant to the Ordinance, except under the conditions and in the manner therein provided.

No such Additional Parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant to the Ordinance, or refunding the Prior Bonds, to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

So long as the Series 2013 A Bonds are outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months in the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the two Fiscal Years following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds (as defined in the Ordinance) then Outstanding;

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

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

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with the time for all available appeals having expired (without successful appeal) prior to the date of delivery of such Additional Parity Bonds whether or not such approved rates are being charged and collected by the Board.

The term "Additional Parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Bonds, and all the covenants and other provisions of the Ordinance (except as to details of such Additional Parity Bonds not inconsistent herewith) shall be for the equal benefit, protection and security of the Owners of the Series 2013 A Bonds, the Prior Bonds and the Owners of any Additional Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Gross Revenues of the System, and their source of and security for payment from said Gross Revenues, without preference of any Bond over any other. The City shall comply fully with all the increased payments into the various funds and accounts created in the Ordinance required for and on account of such Additional Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to the Ordinance.

The term "Additional Parity Bonds," as used in this section, shall not be deemed to include Bonds, notes, certificates or other obligations subsequently issued, the lien on the Revenues of the System of which is subject to the prior and superior lien of the Bonds on such Revenues. Any such subordinate Bonds, notes, certificates or other obligations shall be payable from Surplus Revenues. The City shall not issue any obligations whatsoever payable from the Revenues of the System, or any part thereof, which rank prior to or equally, as to lien and source

of and security for payment from such Revenues, with the Series 2013 A Bonds, except in the manner and under the conditions provided in this section.

No Additional Parity Bonds shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in the Ordinance and the Prior Ordinances on account of the Bonds then Outstanding, if any (excluding the Renewal and Replacement Fund), and any other payments provided for in the Ordinance and the Prior Ordinances shall have been made in full as required to the date of delivery of the Additional Parity Bonds and the Issuer shall then be in full compliance with all the covenants, agreements and terms of the Ordinance and the Prior Ordinances.

Provided, however, that when the Prior Bonds are no longer outstanding or in the event that the registered owners of the Prior Bonds waive the applicability of certain covenants contained in the Prior Ordinances, that if the most recent audit by an independent certified public accountant for the City or the Board for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the City or the Board was not in compliance with the rate covenant in Section 6.04 of the Ordinance for the year being audited and the Board has enacted a rate increase for which all applicable appeal periods shall have expired (without successful appeal) implementing a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of the Ordinance, so as to prevent the City from issuing Additional Parity Bonds. See "APPENDIX F – FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION."

THE SYSTEM

The City has operated a water treatment and distribution system since 1887. The Water Board of the City of Clarksburg was established in 1909 by act of legislature and is provided for by the Charter for the City of Clarksburg and the Code of West Virginia, 1931, as amended. The System is operated by the Board as a water system pursuant to Chapter 8, Article 19 of the Code of West Virginia, 1931, as amended. Additionally, the Board is authorized to establish and maintain rates for the System. For additional information regarding the System, see "APPENDIX B – THE SYSTEM," herein. For information regarding the City and Harrison County in which the City is situated, see "APPENDIX A – GENERAL INFORMATION REGARDING CLARKSBURG AND HARRISON COUNTY, WEST VIRGINIA."

INVESTMENT CONSIDERATIONS

Gross Revenue Pledge

The Series 2013 A Bonds are secured solely by the Gross Revenues of the System. There can be no guarantee that current rates of the System will always produce revenue sufficient to pay the debt service on the Prior Bonds and the Series 2013 A Bonds. The Board has agreed to comply with the covenant to raise the rates of the System if the Gross Revenues of the System are not sufficient to provide the required coverage of the maximum annual debt service of the Series 2013 A Bonds and all bonds issued on a parity with the Series 2013 A Bonds and the Prior Bonds. After enactment of a rate increase, however, if twenty-five percent or more of the City's customers or one of the City's wholesale customers file a petition protesting the rate increase, the

Public Service Commission of West Virginia (the "Commission") will have jurisdiction to review and modify the rates for the System. If a rate increase is appealed, there can be no assurance that the Commission will approve the increase of rates and charges to a level sufficient to generate revenues sufficient to pay the debt service on the Prior Bonds and the Series 2013 A Bonds and meet the coverage requirements of such bonds. The Commission is not expressly statutorily required to set rates sufficient to satisfy the bond covenants of any water utility.

Gross Revenues sufficient to pay the debt service on the Series 2013 A Bonds and the Prior Bonds also depend on the retention of current customers by the City and the Board. An unexpected loss of customers by the City and the Board could have an adverse effect on the ability of the City to make the required payments on the Series 2013 A Bonds. Additionally, a significant reduction in the amount of water used by customers of the City may also have an adverse impact on the City's ability to make the required payments on the Series 2013 A Bonds. The City does not have the authority to require citizens to accept service by the System. Accordingly, any further extensions by the City are dependent upon the City being able to obtain agreements with those potential customers to purchase water from the City. If the City is unable to obtain agreements from potential customers after an extension is constructed, it may have an adverse impact on the ability of the City to make the required payments on the Series 2013 A Bonds. Fourteen wholesale customers purchase water from the System. See "APPENDIX B – THE SYSTEM" herein. If a significant wholesale customer were to obtain water from some other source, it may have an adverse impact on the ability of the City to make the required payments on the Series 2013 A Bonds.

Although water usage has been historically higher in the City, a combination of multiple businesses moving outside of the service area of the System and a decrease in the City's population have caused water usage to decrease in recent years.

Debt Service Reserve Fund

The City has funded a debt service reserve fund for the Series 2013 A Bonds at the Bond Commission in the amount of the reserve fund requirement. The City has also established reserve funds for the Prior Bonds. Due to a shortfall in revenues sufficient to make the monthly payments to the Bond Commission for the Prior Bonds, the Bond Commission accessed the Prior Bonds reserve fund to pay debt service on September 1, 2007. Facing insufficient revenues, the Board adopted an 11% rate increase on March 13, 2007. This rate increase was protested by one of the resale customers and the Public Service Commission took jurisdiction over the rates. Following a series of hearings, the Administrative Law Judge issued a Recommend Decision on September 19, 2007, approving higher rates than proposed. Following objections to the Administrative Law Judge's Recommended Decision, the Commission on November 2, 2007, approved the original 11% rate increase. The protest process delayed implementation of the higher rates and the related revenues for over six months causing a shortfall at the Bond Commission. As a result of the delay in implementing higher rates and increased operation and maintenance expenses, the Board continued to receive revenues insufficient to cover expenses and meet the coverage requirement. As a result the Bond Commission accessed the reserve funds to pay debt service on March 1, 2009, September 1, 2009, March 1, 2010, and September 1, 2010. To address the shortfalls, the Board took two steps: (1) obtained a $225,000 loan from the City in August 2010, used to pay debt service and (2) enacted a 4 step graduated

rate increase (effective October 1, 2010). The loan from the City was repaid in June 2011 and as of October 1, 2012, the Board was current with all debt service and reserve fund payments at the Bond Commission. While the Board has increased rates which have generated additional revenues enabling the accounts to become current at the Bond Commission, there is no assurance that the Board will have sufficient revenues to make the monthly payment requirements and/or to replenish the reserve funds at the Bond Commission. See "APPENDIX B – THE SYSTEM – Summary of Historical and Projected Gross Revenues and Expenses" herein.

Customer Base

The City has experienced a declining population base. See "APPENDIX A - General Information Regarding Clarksburg and Harrison County, West Virginia." Consequently, the number of customers within the City have declined and certain businesses and facilities have relocated outside the City. The Board however is the primary producer of water in the county and provides water service to not only the City but the City of Bridgeport and fourteen other surrounding water utilities. Neither the City nor the Board can make any representation as to the number of customers which will be available to support the System and the debt service necessary for the Series 2013 A Bonds. See "APPENDIX B – THE SYSTEM – Customer Statistics" herein.

Future Legislation

Current or future legislative proposals, if enacted into law, may cause interest on the Series 2013 A Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent holders of the Series 2013 A Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals may also affect the market price for, or marketability of, the Series 2013 A Bonds. Prospective purchasers of the Series 2013 A Bonds should consult their own tax advisors regarding any such pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

It is not an event of default on the Series 2013 A Bonds if any legislation is enacted reducing or eliminating the exclusion of interest on state and local government bonds from gross income for federal income tax purposes or adversely impacting the tax treatment of such bonds for State tax purposes.

The Public Service Commission of West Virginia

In West Virginia, municipal water utilities such as the City and the Board are subject to regulatory oversight by the Commission in certain situations. Specifically, pursuant to Chapter 24, Article 2, Section 11 of the Code of West Virginia, 1931, as amended, utilities must obtain a certificate of public convenience and necessity prior to proceeding to construction for projects which are outside of "the normal course of business." Additionally, rate increases approved by the Board are subject to review for regulatory "notice" requirements and, under certain circumstances, the actual proposed rates. Municipal water utilities in West Virginia do not have the ability to adjust rates without the possibility of regulatory review. The parameters surrounding this review are discussed below. Such regulatory review may delay or halt the

implementation of rate increases which could cause the utility to fail to meet rate covenants or produce revenue sufficient to pay debt service.

The Commission has two levels of review. Most cases are initially assigned to an administrative law judge ("ALJ") for decision. The Commission employs a "staff" comprised of engineers, lawyers and financial analysts (the "Staff") to review cases and make recommendations. The City is also permitted to make recommendations, as are other parties who are granted "intervenor" status. The ALJ may conduct a hearing, at which evidence is presented and witnesses for all parties may be cross-examined, after which a recommended decision is issued. Any party to the underlying proceeding, including a party granted intervenor status, may take exception to the recommended decision of the ALJ, in which case the matter is referred to the full Commission for decision.

Commission Regulatory Oversight of Rate Increases

Pursuant to Chapter 8, Article 11, Section 4, Chapter 8, Article 19, Section 11 and Chapter 24, Article 2, Section 4b of the Code of West Virginia, 1931, as amended, the Council of the City has the ability to establish rates for the water utility through the enactment of an ordinance, following a public hearing on such ordinance. In the case of the City, it has transferred the authority and responsibility to the Board for the operation and maintenance of the System and the setting of rates and charges for water provided by the System pursuant to its City Charter. In the enactment of such an ordinance, the Board must comply with regulations of the Commission related to providing notice of such proposed rate increase. The Commission reviews the compliance of the Board with such regulations and, if the Commission determines that the Board has failed to satisfy the requirements of the regulations, the Commission may declare the rate ordinance invalid.

In such instance, the Board would have no choice but to reenact the ordinance.

Commission Review of Proposed Rate Increases

Once enacted, the proposed rates are subject to review by the Commission under the following scenarios:

1. More than 25% of the customers of the City and the Board sign a petition asking that the Commission review the rates proposed by the Board; or

2. A customer of the City and the Board, which resides within the municipal boundaries of the City, alleges in writing that the rates being proposed by the Board are "discriminatory"; or

3. A customer of the City and the Board, which resides outside of the municipal boundaries of the City, alleges in writing that the rates being proposed by the Board are "discriminatory."

If any of the above occurs, the Commission then takes "jurisdiction" over the rates, initiating an investigation into the need for the proposed rates. Pursuant to Chapter 24, Article 2,

Section 4b of the Code of West Virginia, 1931, as amended (the "PSC Act"), the rates enacted by the Board are suspended for 120 days from the date the rates would otherwise have gone into effect (i.e., 45 days from enactment of the rate ordinance) and the new rates, if any, established by the Commission will go into effect at that end of the suspension period.

The Commission views the term "discrimination" to include more situations than those where a different rate is applied to resident and non-resident customers. The Supreme Court of Appeals of West Virginia previously affirmed the Commission's interpretation of the term "discrimination" when the court held that verified allegations, "which included the failure of the municipality to perform a class cost of service study and the discriminatory imposition of certain costs to resale customers, were sufficient to meet the requirements" found in the PSC Act. *City of Wheeling v. Pub. Serv. Comm'n of W. Va.,* 199 W. Va. 252, 257, 483 S.E.2d 835, 840 (1997).

The System has 14 bulk water resale customers. Any one resale customer may allege "discrimination," causing the Commission to take jurisdiction over any proposed rate increase. Likewise, any one customer located within the City limits may allege "discrimination," also causing the Commission to take jurisdiction over any proposed rate ordinance.

Potential Delays for the Enactment of Rate Increases

Generally, the process of enacting a rate ordinance requires a minimum of two weeks (two readings by the Board, separated by sufficient time to allow for the publication of a public hearing notice prior to the second reading, with the first publication for the public hearing being not less than 5 days prior to the date of the public hearing). Pursuant to the PSC Act and regulations of the Commission, the rates cannot go into effect any sooner than 45 days from the date of enactment, provided that an appeal of the proposed rates does not occur. In the event that the Commission takes jurisdiction of the rate increase, the Commission will establish a decision due date for the ALJ, that is generally 30 days prior to the end of the 120-day suspension period. If any of the parties, however, appeal the ALJ's recommended decision to the full Commission, the Commission will render its decision no later than the end of the 120-day suspension period. Additionally, a decision of the Commission may be appealed to the Supreme Court of Appeals of West Virginia, which has no statutory time frame within which to render a decision.

Consequently, the time period from the first reading of a rate ordinance to the increased rates being charged to the customers is a minimum of 60 days, and if the Commission takes jurisdiction, can exceed 180 days (Commission approved rates are billable during an appeal to the Supreme Court of Appeals of West Virginia). From the date the new rates begin to be charged, the City and the Board should realize revenues in approximately 45 to 60 days. Resale customers are required to obtain authorization from the Commission for any necessary increase in resale rates. Such increases are often granted by the Commission after the rates for the Board go into effect, which means no assurance exists that resale customers will have sufficient revenues to be paying the increased resale rates. The Commission can, and has on occasion, pre-approved resale rate increases in advance of the effective date of the new rates. As a result, resale customers may have the ability to begin charging the new resale rates of the Board as soon as the rates go into effect.

Test Year

If the Commission takes jurisdiction over a municipality's rate ordinance as described above, the regulations of the Commission require a municipality to file "financial justification" for the proposed rate increase. This financial justification must be based on financial data from the most recent actual audited or finally closed twelve-month period, also known as the "test year." Events which occur outside the test year are not generally permitted in the rate adjustment. A determination at the end of any twelve-month period that a rate increase is necessary may not result in increased rates and collections for nine months or more from the end of that period.

The Board has the option to proceed with a rate increase at any time during the course of the year, however, the financials examined by the Commission will be the financials for the most recent full fiscal year, not the 12-month period immediately preceding the date of the request.

Reliance on "Known and Measurable" Adjustments

When considering adjustments to the rates of a utility for costs occurring during the "test year," the Commission's regulations require that the need for, and amount of, such adjustments be based on information that is "known and measurable." As a result, a change in revenues or expenses must, in most cases, have occurred in the test year being analyzed. If an increase in a cost, or a decline in revenue, is anticipated for the coming year, the Commission generally will not take such change into account for rate making purposes unless the change occurs during the test year.

As a result of the requirement that the support for adjustments be "known and measurable," the Commission will generally not allow multi-year rate increases to address anticipated inflation or drops in customer usage. Therefore, the Board must initiate the rate ordinance process, and potential Commission review, whenever increased costs or decreased revenues necessitate a rate increase.

Emergency Rate Increase

The PSC Act permits utilities to request "emergency rates" if the utility is in "financial distress." Financial distress has been defined by the Commission to mean the utility is unable to pay operation and maintenance expenses and the principal and interest on the utility's debt obligations. Such rates, however, are subject to refund, in the event the Commission determines that the emergency rates, or any portion thereof, are not warranted. Generally, emergency rates CANNOT be obtained to meet coverage requirements in bond documents.

Treatment of Renewal and Replacement Funds

Most municipal water utilities in the State are required, pursuant to the terms of their outstanding bonds, to deposit 2.5% of gross revenues in a "Renewal and Replacement Fund" or "Depreciation Account" each month. The purpose of this account is to provide monies for capital repairs and improvements, to construct extensions and to make up deficiencies in the reserve funds. In recent years, the Commission has taken the position that while the deposits

should be made into the Account each month, such deposits are to be included in the calculation of the City's funds available for capital additions for the year. The Commission generally calculates funds available for capital additions by averaging capital additions for the last five years; provided, however, the Commission will consider a different calculation if the utility can demonstrate the need for a higher capital requirement. Consequently, the City is not permitted to accumulate funds to be used for unforeseen capital repairs and replacements, for needed extensions or to replenish draws from the reserve funds as the account is to be utilized each year as part of the ongoing capital expenditures for the system. The City's inability to maintain funds for emergencies increases its risk of utilizing revenues to pay for emergency repairs leaving insufficient funds to pay debt service on the Bonds.

TAX MATTERS

In the opinion of Steptoe & Johnson PLLC, Bond Counsel, under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Series 2013 A Bonds (including original issue discount properly allocable to holders of the Series 2013 A Bonds) (i) is excludable from gross income of the holders thereof for Federal income tax purposes, assuming compliance with certain provisions described herein pertaining to the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not a specific item of tax preference, under Section 57(a)5 of the Code, in computing the federal alternative minimum tax imposed on individuals and corporations, and (iii) under the laws of the State of West Virginia, the Series 2013 A Bonds and the income therefrom is exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes. It should be noted, however, that interest on the Series 2013 A Bonds is included in the adjusted current earnings of certain corporations (as defined for federal income tax purposes) for purposes of computing the alternative minimum tax that may be imposed with respect to corporations.

No assurance can be given that any future legislation, including amendments to the Code, if enacted into law, or changes in interpretation of the Code, will not cause interest on the Series 2013 A Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Series 2013 A Bonds from realizing the full current benefit of the tax exemption of such interest. In addition, current and future legislative proposals, if enacted into law, may cause interest on state or local government bonds (whether issued before, on the date of, or after enactment of such legislation) to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the amount of interest on such bonds that may currently be treated as tax exempt by certain individuals. Prospective purchasers of the Series 2013 A Bonds should consult their own tax advisers regarding any pending or proposed federal tax legislation.

Further, no assurance can be given that the introduction or enactment of any such future legislation, or any action of the United States Internal Revenue Service ("IRS"), including but not limited to regulation, ruling, or selection of the Series 2013 A Bonds for audit examination, or the course or result of any IRS examination of the Series 2013 A Bonds or obligations which present similar tax issues, will not affect the market price for the Series 2013 A Bonds.

The statements contained herein regarding exemption of the interest on the Series 2013 A Bonds from gross income for federal income tax purposes are based upon the law in effect on the

date hereof, and may be affected by actions taken or omitted or events occurring after the date hereof, including subsequent interpretations of the applicable law by competent judicial, regulatory and administrative authorities that modify, revoke, supplement, reverse, overrule or otherwise change applicable law and current interpretations thereof, and specifically by current or future legislative proposals, which, if enacted into law, could adversely affect the tax exemption of the interest on the Series 2013 A Bonds. We assume no obligation to revise or supplement this official statement should such law be changed by legislative action, judicial decision, or otherwise, or to determine or to inform any person whether any such actions are taken or omitted or any such events occur.

Designation of Qualified Tax-Exempt Obligations

The City has designated the Series 2013 A Bonds as "qualified tax-exempt obligations" for purposes of Section 265 of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, a portion of the interest expense that is allocable to carrying and acquiring tax-exempt obligations.

The Series 2013 A Bonds maturing on September 1, 2013, (the "OIP Bonds"), will be sold with an original issue premium ("OIP"). The original issue premium will be equal to the excess of a holder's tax basis in the OIP Bonds over the amount payable at maturity, or in the case of OIP Bonds subject to redemption, the amount payable on the redemption date. Under current law, the original issue premium for OIP Bonds must be amortized on an annual basis by the holder thereof. The amount of original issue premium amortized each year will not be deductible for federal income tax purposes. Further, Section 1016 of the Code requires that the amount of annual amortization for the OIP Bonds be deducted from the holder's tax basis in such OIP Bonds. This reduction in a holder's tax basis will affect the amount of capital gain or loss to be recognized by the holder when the OIP Bonds are sold or redeemed. Owners of OIP Bonds should consult their tax advisors with respect to the determination and treatment of amortizable original issue premium for federal income tax purposes, and with respect to the state and local tax consequences of owning such OIP Bonds.

The opinions described above are subject to the condition that the City complies on a continuing basis with all requirements of the Code, and regulations thereunder that must be satisfied subsequent to issuance of the Series 2013 A Bonds for interest thereon to be or continue to be excluded from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements could cause the interest on the Series 2013 A Bonds to be included in the gross income of the recipients thereof for purposes of federal income taxation retroactively to the date of issuance of the Series 2013 A Bonds.

The accrual or receipt of the interest on the Series 2013 A Bonds may otherwise affect the federal income tax liability of certain recipients. The extent of these and other consequences will depend upon the recipient's particular tax status or other items of income or deductions. Bond Counsel expresses no opinion regarding any such consequences, and investors should consult their tax advisors regarding the tax consequences of purchasing or holding the Series 2013 A Bonds.

APPROVAL OF LEGALITY

Legal matters incident to the authorization, sale and issuance of the Series 2013 A Bonds are subject to the unqualified approving opinion of Steptoe & Johnson PLLC, Charleston, West Virginia, Bond Counsel, the form of which is attached hereto as APPENDIX D. Certain legal matters will be passed upon for the City by Gregory A. Morgan, Esquire, of Young, Morgan & Cann, PLLC, Clarksburg, West Virginia, as City Attorney, and for the Clarksburg Water Board by Kay Casto & Chaney, PLLC, Morgantown, West Virginia, Board Counsel. Jackson Kelly PLLC, Charleston, West Virginia, as counsel to the Underwriter, will pass upon certain legal matters for the Underwriter.

ABSENCE OF MATERIAL LITIGATION

There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body, now pending or, to the best knowledge of the City and the Board, threatened or affecting the City or the Board (or, to the knowledge of the City and the Board, any basis therefor) wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial position of the City or the Board or on the validity of the Series 2013 A Bonds, the Ordinance or any agreement to which the City or the Board is a party and which is a part of the issuance of the Series 2013 A Bonds.

UNDERWRITING

The Series 2013 A Bonds are being purchased by the Underwriter named on the cover of this Official Statement. The Bond Purchase Agreement provides that the Underwriter will purchase the Series 2013 A Bonds, if any are purchased, at a total purchase price of $8,990,155.50 ($9,220,000.00 minus Underwriter's discount of $230,500.00 and plus an original issue premium of $655.50). The obligation to make such purchase is subject to the terms and conditions set forth in the Bond Purchase Agreement, including the approval of certain legal matters by counsel. The Underwriter may change the initial public offering prices from time to time. The Underwriter may offer and sell Series 2013 A Bonds to certain dealers (including dealers depositing the Series 2013 A Bonds into investment trusts) and certain dealer banks acting as agents at prices lower than the public offering prices stated on the inside cover page hereof.

FINANCIAL STATEMENTS

Included in APPENDIX C are the audited financial statements of the Board as of and for the twelve-month period ended June 30, 2012, and the report with respect to the audited financial statements as of and for the twelve-month period ended June 30, 2012, dated December 14, 2012, of Perry & Associates, Certified Public Accountants, A.C.. The Board has obtained the consent of Perry & Associates, Certified Public Accountants, A.C., to publish the audited financial statements with this Official Statement.

CONTINUING DISCLOSURE

The City and the Board have agreed to execute and deliver contemporaneously with the issuance of the Series 2013 A Bonds an agreement to undertake for the benefit of the Registered Owners of the Series 2013 A Bonds to provide certain financial information (the "Annual Information") not later than two hundred seventy (270) days following the end of the fiscal year of the Board, commencing for the fiscal year of the Board ending June 30, 2013, to the Electronic Municipal Markets Access System ("EMMA") and to provide notice of the occurrence of the enumerated events listed therein (the "Enumerated Events") to EMMA as required by SEC Rule 15c2-12, as modified by certain amendments that became effective on December 1, 2010. See "APPENDIX E – FORM OF CONTINUING DISCLOSURE AGREEMENT." The Annual Information and each notice of Enumerated Events will be filed electronically by WesBanco Bank, Wheeling, West Virginia, as dissemination agent, on behalf of the City and the Board, with EMMA.

This continuing disclosure obligation is being undertaken by the City and the Board to assist the Underwriter in complying with Rule 15c2-12 promulgated by the SEC. The City and the Board have agreed to give notice in a timely manner to EMMA of any failure to supply the requested information. However, any such failure will not constitute a default under the terms of the Series 2013 A Bonds or the Ordinance. Registered Owners may contact the General Manager of the Clarksburg Water Board at 1001 S. Chestnut Street, Clarksburg, WV 26301, (304) 623-3711, for more information. Under the Continuing Disclosure Agreement, a Bondholder's sole remedy for such failure is to seek an order for specific performance. Any failure to comply with the continuing disclosure requirements described above shall not, however, constitute an event of default under the Series 2013 A Bonds or the Ordinance.

The Continuing Disclosure Agreement for the Series 2002 Bonds required the City to file its continuing disclosure with nationally recognized municipal securities information repositories. Specifically, the Continuing Disclosure Agreement required the City to file its unaudited annual financial information within 90 days of the end of each fiscal year, and its audited annual financial information within 15 days after receipt of such information by the City. Since the relevant information relating to the Series 2002 Bonds was contained in the Board's financial statements, those statements were filed rather than the City's general purpose statements. Prior to the end of the 2009 Fiscal Year, the City filed its continuing disclosure as required by such agreement. However, the City failed to file the June 30, 2009 unaudited annual financial information, and failed to timely file the June 30, 2009 audited annual financial information with EMMA until February 1, 2011. The City failed to timely file the June 30, 2010 audited annual financial information with EMMA until January 4, 2012. The City failed to file the June 30, 2011 unaudited annual financial information with EMMA. The June 30, 2011 audit was not completed until May 11, 2012, and therefore the City failed to timely file it with EMMA until June 11, 2012. The City timely filed both the June 30, 2012 unaudited annual financial information and audited annual financial information with EMMA. The City did not engage a dissemination agent to file the annual financial information for the Series 2002 Bonds. In an effort to ensure timely filing of future continuing disclosure obligations, the City and the Board are engaging WesBanco Bank, Wheeling, West Virginia, as dissemination agent pursuant to the Continuing Disclosure Agreement. See APPENDIX E.

MISCELLANEOUS

The foregoing summaries, explanations and quotations do not purport to be complete and are expressly made subject to the exact provisions of the complete documents. Purchasers are referred to the Act and the Ordinance for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representation of fact. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or owners of any of the Series 2013 A Bonds. The City and the Board have authorized the execution and distribution of this Official Statement.

CITY OF CLARKSBURG, WEST VIRGINIA

By: /s/ Patsy Trecost, II
Mayor

By: /s/ Martin Howe
City Manager

CLARKSBURG WATER BOARD

By: /s/ Albert N. Cox, II
President

APPENDIX A
(sources include the City, US Census, City-Data.com)

GENERAL INFORMATION REGARDING CLARKSBURG AND HARRISON COUNTY, WEST VIRGINIA

The City of Clarksburg (the "City"), county seat of Harrison County, West Virginia, was settled in 1765 and incorporated by the General Assembly of Virginia in 1795. The City occupies approximately 6 square miles and is located in north-central West Virginia at the intersection of Interstate 79 and U.S. Route 50. The City is located 7 miles from North Central West Virginia Airport, which is served by United Airlines, and is on the main line of the CSX Rail System. The City is 90 miles from Wheeling, West Virginia, 110 miles from Pittsburgh, Pennsylvania, and 122 miles from Charleston, West Virginia.

Population Data

Census Report	City Population	% Change
1960	28,112	-12.2%
1970	24,864	-11.6%
1980	22,371	-10.0%
1990	18,059	-19.3%
2000	16,743	-7.3%
2010	16,578	-1.0%

Source: U.S. Census Bureau

Gender/Age/Race Data

Median resident age:	36.4 years	
WV median age:	41.1 years	
White alone	15,746	(95.2%)
Black alone	339	(2.0%)
Two or more races	328	(2.0%)
Asian alone	358	(0.5%)
American Indian	30	(0.5%)
Other race alone	25	(0.2%)
Native Hawaiian and Other Pacific Islander alone	41	(0.2%)

Source: U.S. Census Bureau (2007-2011 American Community Surveying 5-year Estimates)

Household Data

Average household size:
City: 2.3 people
West Virginia: 2.4 people
Percentage of family households:
City: 57.9%
West Virginia: 68.1%
Source: City-data.com

County Population Data

HARRISON COUNTY POPULATION

Census Report	County Population	% Change
1960	77,856	-8.7%
1970	73,028	-6.2%
1980	77,710	+6.4%
1990	69,371	-10.7%
2000	68,652	-1.0%
2010	69,099	+0.7%

Source: U.S. Census Bureau

Commerce and Industry

Coal, oil and gas are the major natural resources available to the City. In addition to the development of these resources, the manufacture of window glass and other glass products constitutes the major industry of the City and Harrison County. Carbon electrodes, zinc anodes and zinc dust, caskets, brick, tile, airplane sub-assemblies and services, bits, mining tools, helicopter engines and cast iron are other products manufactured by local industry. The City is a major trade center of north-central West Virginia, from which products are distributed wholesale throughout an area within a radius of 90 miles of the City.

Employment

MAJOR EMPLOYERS (March 2011)

Employer	Service
U.S. Department of Justice (FBI)	Government
Harrison County Board of Education	Education
United Hospital Center, Inc.	Healthcare
Veterans Administration Hospital	Healthcare
Wal-Mart Stores, Inc.	Retail
Pratt and Whitney Engine Services, Inc.	Manufacturing/Service
Bombardier Services Corporation, Inc.	Manufacturing
Dominion Transmission, Inc.	Energy
United Summit Center, Inc.	Healthcare
U.S. Postal Service	Government

Source: WORKFORCE West Virginia

HARRISON COUNTY UNEMPLOYMENT RATES

Year	Unemployment Rate
2002	5.9%
2003	5.8%
2004	5.2%
2005	4.5%
2006	4.3%
2007	3.9%
2008	3.8%
2009	6.7%
2010	7.8%
2011	6.9%

Source: WORKFORCE West Virginia

Several industries have increased their commitments to operations in the Harrison County area since 1980, notwithstanding generally depressed economic activity during this period. The Meadowbrook Mall, a 780,000 square foot shopping mall, opened in 1983, and Eastpointe, a $10 million, 173,000 square foot, multi-use commercial development was completed in August 1985 and is fully occupied. The North Central West Virginia Airport Industrial Park has been expanded and Northrop Grumman Corporation has located a facility within that park. Winfield Corporation, a manufacturer of medical supply disposal equipment, opened a plant in Harrison County. The FBI Identification Division constructed facilities on a 986-acre site in Harrison County and employs thousands of persons.

Transportation

Harrison County is bisected by Interstate 79 which connects with Interstate 68 to the north. Other major highways in the area include US Highway 50, US Highway 19, WV Route 20, WV Route 23, WV Route 57, WV Route 58, WV Route 66, and WV Route 98.

Passenger air service is provided to North Central West Virginia Airport in Bridgeport, West Virginia, and Morgantown Municipal Airport, in Morgantown, West Virginia. The major airport serving the County is Pittsburgh International Airport in Pittsburgh, Pennsylvania.

Area rail service is provided by the CSX Rail System. Passenger bus service is provided by Greyhound Buslines and Central West Virginia Transit Authority for national and local service, respectively.

Utilities and Services

Electric service to Harrison County is provided by Allegheny Power. Cable service is provided locally by Time Warner Cable and Suddenlink Communications. Telephone service is provided by Frontier Communications.

The City's wastewater collection and treatment system provides sewer service to the City and surrounding areas, and is capable of effectively treating a maximum of 10-12 million gallons per day of combined sanitary and storm wastewater, or an average daily flow of 8.0 million gallons.

Source: The City

Health Care

Harrison County is a destination healthcare center. It is currently home to the Veterans Administration Hospital and the United Hospital Center ("UHC"), who provides health services to a 12-county area. UHC has more than 15,000 admissions annually in addition to 370,000 outpatient visits, including 43,000 related to the emergency department alone. United Hospital Center's new 292-(private rooms) bed facility (with 24 observation rooms) is located on Route 279 just off Exit 124 in Bridgeport. The 681,440 square foot, $195 million facility will be the first hospital of this magnitude to be built in West Virginia in more than 20 years, keeping Harrison County at the forefront of healthcare technology in the state.

Source: Harrison County Development Authority and United Hospital Center (uhcwv.org)

Hospital/medical centers in/near Clarksburg:

- Clarksburg VA Medical Center (1 Medical Center Drive)
- United Hospital Center (about 4 miles away, Bridgeport, WV)
- Fairmont General Hospital (about 16 miles away, Fairmont, WV)
- Grafton City Hospital (about 18 miles away, Grafton, WV)

Source: City-data.com

Lodging Facilities

- Hilton Garden Inn, 606 Emily Drive, Clarksburg, WV 26301, Phone: (304) 326-9200
- Days Inn & Suites, 112 Tolley Drive, Clarksburg, WV 26330, Phone: (304) 842-7371
- Greenbrier Motel & Restaurant, 200 Buckhannon Pike, Clarksburg, WV 26301, Phone: (304) 624-5518
- Sleep Inn, 115 Tolley Drive, Clarksburg, WV 26330, Phone: (304) 842-1919
- Sutton Inn, 250 Emily Drive, Clarksburg, WV 26301, Phone: (304) 623-2300
- Main Street Manor, 151 E. Main Street, Clarksburg, WV 26301, Phone: (304) 677-6306

Source: The City; Greater Clarksburg Convention & Visitors Bureau

Parks and Recreation

The City is home to three large parks with many amenities. Veterans Memorial Park encompasses 50 acres along the West Fork River, and has a dog park located nearby. Clarksburg City Park is 38 acres along Route 20 in Nutter Fort. Lowndes Hill Park is 58 acres and overlooks the City. Also, the City opened a new amphitheater in 2009, which can seat up to 1,200 persons. The greater Clarksburg area is part of the larger Rails to Trials system of West Virginia. There are two smaller trails in and around Clarksburg: a 17-mile West Fork River Trial and a 7-mile hike and bike trail. Just outside the City is a 72-mile trail called the North Bend Rail-Trial that travels to the Ohio River near Parkersburg. A short distance from the City in Salem, WV, is Dog Run Lake Park, a great location for both fishing and a picnic. The City also boasts its own "Little Italy" in the Historic Glen Elk Village, a neighborhood known for its Italian Heritage and restaurants, and home to an annual festival.

Several other parks and other recreation facilities are near the City, including Watters Smith Stake Park and the West Virginia CCC Camp Museum. Also located close to the City are other West Virginia scenic and recreational areas including Blackwater Falls State Park, 3,860 acre Tygart Lake created by the Tygart Dam, ski areas of Tucker County, other State parks and the Monongahela National Forest.

Sources: The City; Greater Clarksburg Convention & Visitors Bureau

Secondary Education

Public high schools in Clarksburg:

- Liberty High School, Location: 1 Mountaineer Drive, Clarksburg, WV 26301
- Robert C. Byrd High School, Location: 1 Eagle Way, Clarksburg, WV 26301
- Harrison County Alternative Learning Center, Location: Rt. 3, Clarksburg, WV 26301

Source: WV Department of Education

Private high schools in Clarksburg:

- Apostolic Christian Academy, Location: Rt. 3, Clarksburg, WV 26301
- Emmanuel Christian School, Location: 1318 N. 16th Street, Clarksburg, WV 26301
- Notre Dame High School, Location: 127 E. Pike Street, Clarksburg, WV 26301

Source: WV Department of Education

Public elementary/middle schools in Clarksburg:

- Elementary Schools:
    - Adamston Elementary School, Location: 1636 W. Pike Street, Clarksburg, WV 26301
    - North View Elementary School, Location: 1400 N. 19th Street, Clarksburg, WV 26301
    - Wilsonburg Elementary School, Rt. 4, Clarksburg, WV 26301
- Middle Schools:
    - Mountaineer Middle School, Location: 2 Mountaineer Drive, Clarksburg, WV 26301
    - Pressley Ridge School, Rt. 5, Location: Clarksburg, WV 26301

- Washington Irving Middle School, Location: 443 Lee Avenue, Clarksburg, WV 26301

Source: Harrison County Schools

Private elementary/middle school in Clarksburg:

- Apostolic Christian Academy, Location: Rt. 3, Clarksburg, WV 26301
- Emmanuel Christian School, Location: 1318 N. 16th Street, Clarksburg, WV 26301
- St. Mary's Grade School, Location: 107 E. Pike Street, Clarksburg, WV 26301

Source: WV Department of Education

Higher Education

- Fairmont State University, Public, Location: Fairmont, WV (about 22 miles away)*
- Pierpont Community and Technical College, Public, Location: Fairmont, WV (about 22 miles away)*
- United Technical Center, Public, Location: Clarksburg, WV
- Salem International University, Private, Location: Salem, WV (about 15 miles away)

* Offers classes at The Gaston Caperton Center, 501 W. Main Street, Clarksburg, WV

Communications

News service is provided by the Clarksburg Exponent-Telegram, a daily newspaper located in the City, the Bridgeport News and the Shinnston News & Journal, both weekly publications. Other daily newspapers distributed in the area are the Times West Virginian (Fairmont) and the Dominion Post (Morgantown).

Source: West Virginia Press Association

WKJL-FM, W220BZ-FM, WDCI-FM, WZWA-FM, WPDX-FM, WAJR-FM, WGIE-FM, WOBG-FM, WWLW-FM, W297AA-FM, WXKX-AM, WOBG-AM AND WPDX-AM are the local radio stations.

TV broadcast stations around Clarksburg include WVFX (Channel 46; Clarksburg, WV), WBOY-TV (Channel 12; Clarksburg, WV), and WDTV (Channel 5; Weston, WV); and WNPB-TV (Channel 24; Morgantown, WV).

Source: City-data.com

Financial Institutions

Banking service in the City is provided by the following banks (2011 data):

The Huntington National Bank
JP Morgan Chase Bank
United Bank
Branch Banking and Trust Company
City National Bank of West Virginia
West Union Bank
Wesbanco Bank, Inc.
The Harrison County Bank

Source: City-data.com

Housing

Single-family new house construction building permits:

- 2000: 8 buildings, average cost: $74,300
- 2001: 8 buildings, average cost: $74,300
- 2002: 2 buildings, average cost: $121,800
- 2003: 2 buildings, average cost: $121,800
- 2004: 5 buildings, average cost: $121,800
- 2005: 4 buildings, average cost: $121,800
- 2006: 1 buildings, average cost: $121,800
- 2007: 2 buildings, average cost: $121,800
- 2008: 2 buildings, average cost: $121,800
- 2009: 0 buildings, average cost: N/A
- 2010: 0 buildings, average cost: N/A
- 2011: 0 buildings, average cost: N/A

Source: City-data.com

Airports located in or near Clarksburg

North Central West Virginia Airport (1 Runway)
Ruth Field (1 Runway)

Sources: North Central West Virginia Airport; City-data.com

U.S. Census People QuickFacts	Harrison County	West Virginia
Population, 2011 estimate	69,436	1,854,908
Population, 2010 (April 1) estimates base	69,099	1,852,999
Population, percent change, April 1, 2010 to July 1, 2011	0.5%	0.1%
Population, 2010	69,099	1,852,994
Persons under 5 years, percent, 2011	5.8%	5.6%
Persons under 18 years, percent, 2011	21.9%	20.7%
Persons 65 years and over, percent, 2011	16.7%	16.2%
Female persons, percent, 2011	51.3%	50.7%
White persons, percent, 2011 (a)	96.0%	94.1%
Black persons, percent, 2011 (a)	1.7%	3.5%
American Indian and Alaska Native persons, percent, 2011 (a)	0.2%	0.2%
Asian persons, percent, 2011 (a)	0.5%	0.7%
Native Hawaiian and Other Pacific Islander persons, percent, 2011 (a)	Z	Z
Persons reporting two or more races, percent, 2011	1.5%	1.4%
Persons of Hispanic or Latino Origin, percent, 2011 (b)	1.3%	1.3%
White persons not Hispanic, percent, 2011	94.8%	93.0%

Living in same house 1 year & over, percent, 2007-2011	88.4%	87.7%
Foreign born persons, percent, 2007-2011	0.8%	1.3%
Language other than English spoken at home, percent age 5+, 2007-2011	1.8%	2.3%
High school graduate or higher, percent of persons age 25+, 2007-2011	84.8%	82.6%
Bachelor's degree or higher, percent of persons age 25+, 2007-2011	18.0%	17.6%
Veterans, 2007-2011	6,652	166,372
Mean travel time to work (minutes), workers age 16+, 2007-2011	22.2	25.5
Housing units, 2011	31,336	881,752
Homeownership rate, 2007-2011	73.4%	74.3%
Housing units in multi-unit structures, percent, 2007-2011	12.9%	12.0%
Median value of owner-occupied housing units, 2007-2011	$94,700	$96,500
Households, 2007-2011	27,696	740,080
Persons per household, 2007-2011	2.45	2.43
Per capita money income in the past 12 months (2011 dollars), 2007-2011	$21,846	$22,010
Median household income, 2007-2011	$40,556	$39,550
Persons below poverty level, percent, 2007-2011	18.2%	17.5%

Business QuickFacts	**Harrison County**	**West Virginia**
Private nonfarm establishments, 2010	1,821	38,676[1]
Private nonfarm employment, 2010	26,931	560,450[1]
Private nonfarm employment, percent change, 2000-2010	7.8	0.4[1]
Nonemployer establishments, 2010	3,821	90,126
Total number of firms, 2007	5,668	120,381
Black-owned firms, percent, 2007	0.6%	S
American Indian- and Alaska Native-owned firms, percent, 2007	F	S
Asian-owned firms, percent, 2007	0.8%	1.3%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	0.0%
Hispanic-owned firms, percent, 2007	1.0%	0.7%
Women-owned firms, percent, 2007	S	28.1%
Manufacturers shipments, 2007 ($1000)	D	25,080,573
Merchant wholesaler sales, 2007 ($1000)	322,782	11,036,467
Retail sales, 2007 ($1000)	1,148,532	20,538,829
Retail sales per capita, 2007	$16,878	$11,340

Accommodation and food services sales, 2007 ($1000)	117,645	2,553,258
Building permits, 2011	112	2,220

Geography QuickFacts	**Harrison County**	**West Virginia**
Land area in square miles, 2010	416.01	24,038.21
Persons per square mile, 2010	166.1	77.1
FIPS Code	033	54
Metropolitan or Micropolitan Statistical Area	Clarksburg, WV Micro Area	

Source: U.S. Census Bureau

APPENDIX B

THE SYSTEM

General

The Clarksburg Water Board (the "Board") is the primary producer of potable water in Harrison County, West Virginia. In addition to the cities of Clarksburg and Bridgeport, it provides water to fourteen (14) other surrounding water utilities with the recent addition of the City of Salem. The water treatment capacity of the System is approximately ten (10) MGD. The Board does not anticipate upgrading the System's capacity at this time. An engineering study has been performed to address future expansion when needed.

History and Development

Development of the System was initiated in 1887, and the Board was established pursuant to state legislation adopted in 1909. Prior to establishment of the Board, the City of Clarksburg (the "City") constructed a dam, a steam-powered pump station, two 250,000 gallon water storage tanks and distribution mains to the central areas of the City. Water delivered during this period was used only for sanitary and fire protection purposes. During the subsequent decade, the Board constructed a gas-fueled pumping station, additional distribution facilities and the present water treatment plant, with water safe for drinking first delivered in 1911. Three additional dams and three 500,000 gallon treated water storage tanks were constructed, the distribution system was extended and the treatment plant was improved by the addition of water softening facilities, during the two decades beginning in 1920. Thereafter, as the distribution system continued to be expanded, the first electric pumps were installed at the pump station in 1949. Further improvements were financed through application of $1,776,000 in proceeds of Series 1954 Bonds, including construction of a 55 acre, 300 million gallon raw water impoundment on Buffalo Creek, construction of two 2-million gallon steel treated water storage tanks and improvements to the pump station, and development of a new service area and meter shops. Proceeds of Series 1980 Bonds were applied to the construction of a 1.5 million gallon storage tank and connecting mains, and preparation of plans and specifications for the 10 million gallons per day ("MGD") water treatment plant and distribution grid improvements.

A series of improvements initiated in 1985 included expansion of the raw water intake structure, construction of a new raw water pumping station, water treatment plant and wastewater handling facilities, and improvement of the distribution network of the System. The raw water intake structure was expanded to provide intake capacity of 15 million MGD and included trash racks to prevent large debris from entering the intake.

Construction of a new raw water pumping station enabled delivery of 10 MGD of water from the intake structure to the treatment plant. Traveling screens were installed in front of the pumps to remove leaves and twigs and thereby prevent pump clogging. The pumping station is designed to permit future installation of an additional pump, whereby pumping capacity would be expanded to 15 MGD.

The 10 MGD water treatment plant includes a carbon contact basin, rapid mixers, flocculators, horizontal sedimentation basins, dual media filters, a two-million gallon clearwell, a high service pumping station, chemical feed and storage areas, a laboratory and control area and

emergency power facilities. The plant is designed to treat up to 12 MGD with no significant additional capital expenditures and to permit expansion to 15 MGD.

Construction of wastewater handling facilities enabled discharge of wastewater from the water treatment plant to the sedimentation basins and then to the sludge press for dewatering and disposal, thereby complying with state and federal regulations.

The distribution network was improved by installation of approximately 8,400 feet of 12-inch to 20-inch ductile iron pipe and approximately 550 feet of 12-inch and 16-inch stainless steel pipe. Installation of these mains improved water flows and pressure in various parts of the distribution network.

A series of improvements initiated in 1986 included 4,800 feet of 16-inch ductile iron water transmission main, including a 200 foot river crossing that provides upgraded service to a populated area of the City, 1,100 feet of 20-inch ductile iron water transmission main that replaced a deteriorated 20-inch main, and refurbishing and painting existing water storage tanks.

A series of improvements initiated in 1992 included line extensions of approximately eleven miles of 12, 16 or 20-inch pipe, a 1 million gallon storage tank to serve the FBI Identification Division, another 2 million gallons of storage and a 2,000 GPM booster station to serve new wholesale and retail customers in the area.

In 2001, a two million gallon stainless steel water storage tank located on South Second Street replaced a one million gallon concrete water storage tank located on Chestnut Street. The City issued its Series 2001 Bonds in the amount of $2,300,000 to finance the cost of the new tank and associated improvements. The Series 2001 Bonds were sold to the West Virginia Water Development Authority. The Board also began an active effort to replace valves and mains to reduce unaccounted for water losses.

During 2001and 2002, new filter controls were installed at the water treatment plant, at a cost of $24,446. Other improvements included tube heaters in the chemical storage area, security renovations, upgrades to operator's main control panel, as well as various other capital improvements, at a combined cost of $59,715.

Over 4,000 feet of waterlines were replaced, 34 valve replacements and waterline extension to the new Veterans Nursing Home were completed during 2003 and 2004, in addition to other lesser projects, at a total cost of $1,564,690.

The largest project during the years 2005 through 2008 was construction of the Sludge Dewatering Facility, costing $1,473,000. Waterline replacement and relocation and dam safety modifications, costing $724,850 were completed during these years.

Total rehabilitation of the Adamston and Broad Oaks water storage tanks, replacement of the fluoride tank and construction of 2,500 feet of new waterline were the major capital improvements over the last three years at a total expenditure of $1,232,850.

The Board is currently working with the Canaan Valley Institute and U.S. Fish and Wildlife to remove three obsolete dams to avoid future liability.

Properties and Services

The primary functions of the System are raw water intake, raw water pumping, water treatment, finished water storage and distribution. The source of raw water for the System is the West Fork River and its tributaries.

Two reservoirs afford the System an emergency source of water for periods of severe drought. First, the System benefits significantly from flow releases to the West Fork River from an Allegheny Power System reservoir constructed on Stonecoal Creek, a tributary of the West Fork River. Water released from Stonecoal Reservoir to provide adequate flow to the Harrison Generating Station located downstream of the City flows past the System intake. The stream flow requirement at the Harrison Generating Station is approximately 40 MGD, which significantly exceeds current and projected water supply requirements for the System. Second, the Stonewall Jackson Reservoir on the West Fork River, which covers approximately 3,500 acres, is located approximately 25 miles upstream from the System intake.

Prior to the 1985 Project, the Board's raw water intake facility, located within the City and constructed in 1905, drew raw water from the reservoir created by the Hartland Dam. The original intake facility was small, permitted both clogging with debris and excessive intake velocity and did not allow for periodic removal from service for maintenance. These deficiencies were corrected by the 1985 Project through the construction of a new raw water intake.

Raw water was pumped from the intake facility to the water treatment plant. The original water treatment plant, located adjacent to the intake facility and constructed between 1888 and 1920, consisted of sedimentation basins, rapid sand and dual media filters, a 279,000 gallon usable capacity clearwell, raw water and high service pumps, chemical feed and storage facilities, and various instrumentation, controls and meters. The processing capacity of the water treatment plant was eight MGD. The numerous deficiencies of the original water treatment plant required its replacement with a new facility as a part of the 1985 Project. The new water treatment plant began operations in February 1988, and the original plant was demolished as part of that project. The new water treatment plant project included construction of a new raw water intake.

Subsidiary raw materials necessary for the production of drinking water include chemicals and power supply. Chemicals are purchased pursuant to annual contracts with reliable suppliers; the Board has encountered no difficulties in obtaining adequate chemicals. Electrical energy is furnished through the system of the Monongahela Power Company and, while short electrical interruptions sometimes are experienced, these interruptions have not created any serious problems for the System. As a part of the 1985 Project, emergency power facilities were installed to insure a continuous power supply. Currently the Board is planning for improvements including installing a back-up generator for Summit Park Booster Station and connecting the high service pumps to the water treatment plant's back-up generator that currently not connected. This will allow increased water production if there is ever an extended power failure.

The System contains one (1) concrete, seven (7) welded steel finished water distribution storage reservoirs and a two million (2,000,000) gallon concrete storage reservoir within its distribution grid. Distribution storage provides water necessary to equalize pressure in the distribution grid during peak demand, to fight fires and to maintain service during transmission, treatment or pumping failures. Certain deficiencies in effective storage capacity of two of these reservoirs were rectified by the 1985 Project through construction of additional pipelines to the

distribution storage reservoir. Increased storage capacity was accomplished through construction of a two million gallon clearwell reservoir in the new plant design. The Board constructed a two million (2,000,000) gallon concrete storage reservoir in 2001 at an estimated cost of $2,100,000.

The System distribution network consists of approximately 104 miles of cast iron and ductile iron water mains, of four inch to twenty-four inch diameter, delivering water throughout the System and to the wholesale distribution areas. Water pressure in the distribution mains is maintained and controlled through water levels in the distribution storage reservoirs and by three high service pumps at the existing water treatment plant, three electric centrifugal pumps and one diesel emergency power generator. The majority of System distribution mains were laid prior to 1930, are unlined and have become deposited with impurities from the water, decreasing the carrying capacity of the water distribution grid. The condition of distribution mains, together with inadequate pipe sizing in some areas of the distribution grid, has caused low service pressure and low fire flows in certain sectors of the service area. The 1985 Project corrected these deficiencies.

As is ordinary for a water system, there is a difference between the quantity of water recorded as being pumped from the water treatment plant into the distribution network and the quantity of water drawn from the distribution network by the users as recorded on water meters. This difference is referred to as "unaccounted for water." Unaccounted for water is attributable to several factors, including: (1) differentials in the range of accuracy of flow meters in pumping plants versus homes, industrial and wholesale users; (2) losses of water through distribution main breaks prior to detection and repair; (3) losses through minor joint leaks that are not readily detectable; (4) use of water for firefighting, hydrant testing, system flushing, street cleaning and other public health, safety and welfare purposes; and (5) other unmetered uses. Unaccounted for water as a percentage of water pumped for distribution according to the Board's Annual Report of the Consulting Engineer for fiscal year ended June 30, 2011 was 6.02 percent. This is well below the 15 percent maximum recommended by the WV Public Service Commission. It is projected to be about the same for the current year. As stated previously, the Board has begun an active effort to replace valves and mains to reduce unaccounted for water losses.

Distribution problems have been and are being ameliorated through the above-described projects, other maintenance projects, proposed future improvements to distribution storage reservoirs and a proposed ongoing improvement program of distribution main replacement and reinforcement.

The Board is continually replacing values and sections of distributions and transmission mains throughout the system.

Future Capital Improvements

Future System improvements have been suggested by consulting engineers on the basis of analyses of System condition and future water demand. Suggested future improvements include a new distribution storage reservoir and 7,200 linear feet of twelve inch and sixteen inch water distribution mains. The present cost of these proposed future improvements, excluding costs of financing, if any, is estimated to be $1,735,000. In addition, the consulting engineers have proposed an ongoing improvement program to replace old and undersized water distribution mains, at an estimated annual cost of $120,000. The Board has determined to undertake the ongoing improvement program. Also, the consulting engineers state that the water treatment facilities may be expanded to treat up to 12 MGD, the projected 2020 maximum daily

demand, upon installation of additional pumps at an estimated current cost of $150,000, and are designed to facilitate an increase to 15 MGD at an estimated additional current cost of $1,000,000. The Board's consulting engineers have advised that these suggested improvements, subject to unforeseen circumstances and periodic review, should assure adequate water service through 2020.

As of the date hereof, the Board projects that it should be able to fund necessary maintenance and any future capital improvements from internally generated cash flow. Therefore, as of the date hereof, the Board does not anticipate incurring any additional debt to fund capital improvements.

Service Area

The System provides both retail and wholesale service. The retail service area consists of the City and certain limited adjacent areas of Harrison County. This retail service area occupies approximately nine square miles and contains approximately 16,580 people. The System also serves 14 wholesale customers that provide retail service in parts of Harrison County occupying approximately 15 square miles and containing approximately 49,420 persons. Thus the aggregate area of the combined retail and wholesale service areas is approximately 23 square miles, and the entire population served by retail service and through wholesale supply is approximately 66,000 persons as of April 2010.

Following consistent population growth during the first half of the twentieth century, the populations of the retail and wholesale service areas began to decline during the decade beginning in 1950. The Board attributes this decline generally to the migration of area population from the City to the outlying areas of Harrison County. Wholesale service area population resumed growth during the decade beginning in 1970, and, on the basis of increasing retail residential water consumption; the Board believes that retail service area population has continued to grow. The table below shows the historical and projected service area populations and water consumption in millions of gallons per day, on a retail and wholesale basis and in aggregate. Population growth is expected to continue with the addition of industrial, commercial and government business locating within the System's service area.

Population and Average Daily Consumption Information
Consumption in MGD

Year Ended December 31	Retail Population (1)	Retail Daily Consumption (2)	Wholesale Population (3)	Wholesale Daily Consumption (4)	Total Population (5)	Total Daily Consumption (5)
1970	24,864	3.43	12,896	1.39	37,760	4.82
1980	22,371	3.16	17,629	2.05	40,000	5.21
1990	19,300	2.04	23,700	2.55	43.000	4.59
2001	20,500	2.72	23,500	2.41	43,500	5.13
2010	16,578	1.55	49,420	3.38	66,000	4.93
2020*	16,500	1.49	50,500	3.51	67,000	5.00
2030*	16,500	1.59	52,500	3.51	69,000	5.10

* City projections. Projections as to population are based on studies on population trends performed by the West Virginia Department of Health, as adjusted by the consulting engineers.

(1) Source: Decennial retail population for the City is supplied by the U.S. Census Bureau.
(2) Source: Board records based on metered usage.
(3) Source: Estimates based upon wholesale user filings with the West Virginia Public Service Commission as to numbers of customers (households) served.
(4) Source: Board records based on metered delivery to wholesale customers.
(5) Source: Aggregate estimated retail and wholesale population, and metered daily consumption, respectively. Metered daily consumption excludes from average daily demand water supplied to government uses and unaccounted for water, each attributable to the retail service area only.

The FBI Identification Division headquarters opened its offices in 1993 with the employment of 2,850 people. Grumman Aircraft has opened a facility with employment of approximately 250 people, and Winfield Corporation (a medical supply manufacturer) opened a factory with employment of approximately 150 people. In addition, the Harrison-Marion Airport (formerly the Benedum Airport) in the City of Bridgeport completed a $26 million runway extension in 2000, and the federal government approved a $45 million award for construction of an Air National Guard center at the Harrison-Marion Airport in 1999. In addition, the Bombardier America Services Corporation located an aircraft maintenance facility at the newly expanded Harrison-Marion Airport in 2000. Bombardier has a major service contract with ComAir, an express service provider for Delta Airlines, to service and maintain its intermediate jet aircraft. Bombardier announced also in 2000 that it had signed a five (5) year contract to provide maintenance for Canadair Jet Fleet Express. These contracts have a significant impact on continued employment and growth of the aerospace maintenance and manufacturing industry in Harrison County.

United Hospital Center, the area's regional hospital facility, relocated to the Bridgeport area in 2011. The Board still provides water through its resale with the City of Bridgeport. Highland Hospital is scheduled to open a new behavioral psychiatric center in downtown Clarksburg which will include 150 beds with space to grow to a 366 bed facility in January 2014. Due to the Marcellus Shale activity in the central West Virginia area additional businesses have located in areas which purchase water from the Board.

Customer Statistics

The following table indicates the numbers of retail residential and commercial, retail industrial, wholesale and private fire protection customers during each of the past 5 fiscal years (2008 – 2012) and projections for the next five fiscal years (2013 – 2017).

Customer Category Summary
Numbers of Customers

Year Ended June 30	Residential and Commercial	Industrial	Wholesale	Private Fire Protection	Government Agencies
2008	8209	10	13	657	57
2009	8039	11	13	657	55
2010	7976	9	13	654	57
2011	8091	8	14	635	57
2012	7852	8	14	610	49
2013	7860	8	14	611	49
2014	7900	8	14	611	50
2015	7940	9	14	613	50
2016	7980	9	14	613	51
2017	8020	9	14	614	51

Source: Board billing records for historical figures and otherwise projections by the Board.

The following table sets forth the ten largest retail water customers of the System, their average daily consumption and the percentages of total average daily retail consumption and total average daily consumption represented by such consumption, for the fiscal year ended June 30, 2012.

Major Retail Users

Customer	Total Annual Consumption (gallons)	Average Daily Consumption (gallons)	% of Total Daily Retail Consumption	% of Total Daily Consumption	Total Annual Water Revenues	% of Total Water Sales Gross Revenues
FBI	55,813,758	152,914	10.347%	3.359%	$ 172,371	2.408%
UCAR Carbon	48,310,000	132,356	8.956%	2.907%	$ 166,580	2.327%
EUROP TEC	8,909,600	24,410	1.652%	0.536%	$ 34,190	0.478%
Heartland	6,999,200	19,176	1.298%	0.421%	$ 30,241	0.422%
Clarksburg Housing	6,962,000	19,074	1.291%	0.419%	$ 27,775	0.388%
J. F. Allen	6,523,400	17,872	1.209%	0.393%	$ 26,248	0.367%
Merrick Eng.	2,269,500	6,218	0.421%	0.137%	$ 11,954	0.167%
Maple View	2,011,500	5,511	0.373%	0.121%	$ 10,106	0.141%
Rosebud	1,814,000	4,970	0.336%	0.109%	$ 9,157	0.128%
Tower Assoc	1,787,500	4,897	0.331%	0.108%	$ 9,037	0.126%
TOTAL	141,400,458	387,399	26.214%	8.509%	$ 497,659	6.952%

Source: City billing records.

Wholesale Contracts

The Board sells water to 14 wholesale users, including 6 municipalities, and 8 public service districts. Wholesale users accounted for 72% of total average daily consumption during the fiscal year ended June 30, 2012, and 46.3% of Gross Revenues during the same period.

Water is furnished to each wholesale user pursuant to a separate written supply agreement. These agreements generally require that the Board deliver to an established metered point of delivery a specified maximum quantity of water, subject to a priority afforded the Board's retail customers. The wholesale users are not required to purchase water exclusively from the Board or to pay for any minimum annual quantity of water. Each wholesale user is required to pay for furnished water, at a rate established by the Board and subject to review and approval by the West Virginia Public Service Commission, upon being billed therefor by the Board. See "THE SYSTEM -- Rates." The wholesale users have not made other provision for supplying water to their respective retail customers, and any alternative provision would entail both substantial capital expenditures for the construction of transmission mains to other water systems or for the construction of water treatment plants and approval by the West Virginia Public Service Commission. The Board does not anticipate cessation of use of System water by any of the wholesale users within the foreseeable future.

There follows a tabular summary of the System's wholesale users and their respective water purchases from the Board.

Clarksburg Water Board
Wholesale User Summary
(Fiscal Year ended June 30, 2012)

Customer	Est. Number Customers (1)	Gallons of Water Purchased (2)	Revenues (3)	Agreement Date	Agreement Expiration Date
City of Bridgeport	4,520	469,783,000	1,266,548	12/8/1992	Indefinite
City of Shinnston	2257	3,323,000	9,425	None	None
Greater Harrison PSD	3,294	109,122,000	309,815	3/12/2009	3/12/2049
Short Line PSD	1,168	72,503,000	205,903	11/14/2006	11/14/2046
Valley of Good Hope PSD	905	82,721,000	234,774	3/12/2009	3/12/2049
Town of Nutter Fort	850	133,157,000	375,849	3/12/1949	Indefinite
City of Stonewood	926	41,986,000	119,107	11/19/2007	11/19/2052
Sun Valley PSD	1,187	111,055,000	315,158	1/2/2010	1/2/2050
Enlarged Hepzibah PSD	829	60,057,000	164,209	8/26/1964	Indefinite
Town of Anmoore	467	40,390,000	114,588	10/6/1953	Indefinite
Summit Park PSD	428	24,256,000	68,718	11/12/1952	Indefinite
East View PSD	309	11,440,000	32,425	4/1/1991	Indefinite
Tri-County Water Assoc. (4)	920	2,900,000	8,113	None	None
City of Salem	809	73,137,000	73,865	3/24/2009	Indefinite
Total	18,869	1,235,825,000	3,298,497		

(1) Source: Annual filings with the Public Service Commission of West Virginia and telephone survey.
(2) Source: City billing records and annual filings with the Public Service Commission of West Virginia.
(3) Source: City billing records and annual filings with the Public Service Commission of West Virginia.
(4) Only 31 customers of the Tri-County system are on a water supply line that can be supplied as a secondary water purchase source by the Tri-County Water Association. The balance on the Tri-County system is supplied by other water agencies.

Administration, Organization and Management

Pursuant to State statute and the City's Charter, the powers and duties established by statute (and in particular the Act) with respect to the construction, acquisition, establishment, improvement, operation, management, maintenance, repair, extension and amplification of the System are vested in the exclusive jurisdiction of the Board, independent of control by the Council of the City and the City's City Manager.

The Board has the authority to fix, regulate and change rates and charges for water service, subject to intervention by the Public Service Commission of West Virginia under certain conditions. See "THE SYSTEM -- Rates." Certain actions required by law or Charter to be taken by the Council of the City in connection with the System, including the enactment of ordinances in connection with the issuance of water revenue bonds, are required to be taken by said Council upon request of the Board. The jurisdiction and authority of the Board may be abolished by Charter amendment.

In 2005 the Clarksburg Water Board was named the Water System of the Year by the WV Rural Water Association. In 2006 the Board was presented with a Community Improvement Award by the Harrison County Chamber of Commerce. The Board is comprised of three residents of the City elected at large to staggered, four-year terms. Board members are prohibited from holding other public office and from employment by the City. Board members currently receive $100 per board meeting.

The System is required to be administered by a full time General Manager appointed by the Board to serve in such capacity for an indefinite term. Duties of the General Manager include appointment and removal of employees, submission and administration of the budget, enforcement of laws pertaining to the System, collection of revenues, purchase of System equipment and supplies, and performance of all other acts required of the chief executive officer of the Board.

System operations are organized as five functions and assigned on that basis to four managers: the Director of Distribution is responsible for distribution system maintenance, with 13 employees, and for customer service, with 4 employees; the Director of Operations and 8 employees are responsible for treatment plant operations; 2 employees are responsible for System engineering; and the Director of Finance and 5 employees are responsible for finance, accounting, billing and collections. Each of the managers of the System reports to the General Manager.

The present Board members and managers of the System are identified below, together with a brief statement of their respective qualifications.

Albert N. Cox, II is a retired Assistant Vice President of Bank One, Clarksburg, West Virginia. He was first elected to the Board on July 1, 2001; his present term expires June 30, 2013. Mr. Cox serves as President of the Board

Charles 0. Thayer, III, C.L.U., is owner of Thayer Realty Rentals, Clarksburg, West Virginia, and is retired from Huntington Investment Company and Thayer Insurance Agency. He was first elected to the Board on July 1, 1999; his present term expires June 30, 2015.

John P. (Jack) Keeley, is retired as the President and Chief Operating Officer of Ground Breakers, Inc., Clarksburg, West Virginia. He was first elected to the Board on July 1, 2001; his present term expires June 30, 2013.

Richard D. Welch was appointed General Manager of the Board on September 1, 2000. Prior to that time, he served as a member of the Board from 1975 to 1997 and was appointed as Distribution Department Coordinator on September 23, 1993. In 2007 Mr. Welch was named System Manager of the Year by the WV Rural Water Association.

John Mayer has been Director of Distribution since 2010. He has served in the System's Distribution Department for 27 years.

Wakem Simon has been Director of Operations since 1999. He served as a supervisor in the System's Distribution Department for 7 years.

Donald L. Summers, Treatment Plant Supervisor, has been Chief Plant Operator since 1999. He has worked at the treatment plant for 36 years and holds a Class IV Public Water Supply Operators Certificate. In 1996 Mr. Summers received the Perkins Boynton Award from WV AWWA as an outstanding water treatment operator.

Linda L. Hughes, CPA, has been Director of Finance since 2010. Prior to that, she held the position of Assistant Director of Finance for 3 years.

Twenty of the 35 full-time employees of the Board belong to a local union affiliated with the American Federation of State, County and Municipal Employees. The present contract with these employees expires June 30, 2015. The Board enjoys a good relationship with its employees.

Rates

Pursuant to the Act, the governing body of a municipality, or independent board charged with such responsibility, must fix minimum rates and charges for the use of its municipal water system and may increase such rates whenever deemed necessary. Such rates and charges are required by the Act to be sufficient at all times to provide for the payment of interest on all bonds issued pursuant to the Act and to create a sinking fund to pay the principal of such bonds as and when the same becomes due, and reasonable reserves therefor, to provide for the repair, maintenance and operation of the waterworks system, to provide an adequate depreciation fund and to make any other payments required or provided for in the applicable bond ordinance.

Chapter 24, Article 2 of the Code of West Virginia, 1931, as amended, provides that rates and charges established by municipally operated utilities shall be just, reasonable, applied without unjust discrimination or preference and based primarily on the costs of providing service. Such rates and charges must be filed with the Public Service Commission of West Virginia (the "PSC") but generally are not subject to regulatory approval. However, any customer (including a wholesale user) of a municipally operated utility aggrieved by a rate change may present to the PSC within 30 days of the adoption of the ordinance providing for the change a petition signed by not less than 25 percent of the customers served by the utility. Within 100 days from the filing of any such petition, a hearing examiner must issue an order approving, disapproving or modifying the rate increase. Such order has the full force and effect of an order issued by the PSC. Also, if a municipally operated utility serves customers outside the boundaries of the municipality, the PSC is empowered to review, approve or modify such rates if, within 30 days of the adoption of the ordinance providing for such rates, a customer (including a wholesale user) alleges that such rates constitute discrimination between customers within and without the municipal boundaries. The PSC may determine the method by which such rates are reviewed and may grant and conduct a new hearing on the matter if the customer of the municipality requests such a hearing.

The following table sets forth the rates and charges effective October 1, 2012:

	Rate or Charge
First 15,000	.749 Per 100 gals
Next 210,000	.503 Per 100 gals
All Over 225,000	.352 Per 100 gals
Wholesale rate per 1000	$ 3.82
Minimum monthly charge (5/8" meter)	$ 22.47
Annual Fee Per Fire Hydrant	$ 207.24

Billing and Collections

The Board renders monthly billings to its residential water customers and monthly billings to its commercial, industrial and wholesale water customers. Payments are due 20 days after the billing date. If a bill remains unpaid beyond the due date, a 10 percent penalty is added to the delinquent account and delinquency procedures are initiated, including the giving of two termination notices and termination of service 30 days after the initial due date. Service on delinquent accounts remains terminated until payment of the account is made. Upon reinstituting service to a previously delinquent account, a reconnection charge of $50.00 is required.

Termination procedures have been in effect for many years. During the fiscal year ended June 30, 2012, service attributable to approximately 750 delinquent accounts was terminated for nonpayment. Set forth below is a five year summary of the annual accounting provisions made by the Board for doubtful accounts and of the accounts receivable (which may be attributable to preceding years) actually written off in each of the indicated fiscal years.

Summary of Doubtful Accounts

Year Ended June 30	Gross Revenues From Water Sales	Provision for Doubtful Accounts	Accounts Receivable Written Off
2008	$6,161,267	$231,628	$9,273
2009	$6,326,157	$297,202	$4,242
2010	$6,355,861	$98,518	$247,603
2011	$6,837,603	$100,181	$65,279
2012	$7,158,900	$101,557	$40,780

Source: Board billing records.

Deferred payment plans are available for any residential customer who demonstrates an inability to pay a System bill in full and shows that service termination would endanger, such customer's health or safety.

System Budget

The Board prepares and adopts by resolution, at least 45 days preceding the beginning of each fiscal year, a detailed budget of the estimated expenditures for operation and maintenance of the System during that succeeding fiscal year. The annual budget is prepared by the Director of Finance, approved by the General Manager and then presented to the Board for adoption.

All expenditures are approved through a materials requisition and purchase order system. Each order is approved by the Director of Finance, the General Manager and, prior to disbursement of funds, by the accounting department. Checks are approved by the Director of Finance and require two signatures from either the General Manager, Director of Finance or Accounts Payable Clerk.

Public Employees Retirement System

The Board elected in 1974 to participate in the West Virginia Public Employees Retirement System (the "Retirement System"), a state-wide system comprised of the State of West Virginia and such of its political subdivisions as elect participation. Annuity benefits under the Retirement System are financed through employer and member contributions and the investment earnings on such contributions. The Board, as an employer, is obligated to contribute annually to the Retirement System an amount equal to 14 percent of its employee payroll for the preceding year. In addition, since the Board has elected to cover its employees retroactively for the period of their employment by the Board from 1961 to 1973, the Board has made additional contributions in level term payments over a 15 year period in the actuarial equivalent of the amount that would have been contributed, together with the earnings thereon, by the Board had its employees received such retroactive credit and been covered during such period. The following table summarizes the contributions made by the Board to the Retirement System during each of the past five fiscal years.

Retirement System Contributions

	For Fiscal Years Ended June 30				
	2012	2011	2010	2009	2008
Employees Covered	38	39	40	40	41
Board Contribution Rate (%)	14.5	12.5	10.5	10.5	10.5
Board Contributions	$245,674	$212,235	192,973	188,214	177,701

Source: Compiled by Director of Finance of the System from the annual audit reports of Perry & Associates and Tetrick & Bartlett, for the four fiscal years ended June 30, 2012, June 30, 2011, etc.

Method of Accounting

The Board maintains its accounts pertaining to the System on an accrual basis and in accordance with generally accepted accounting principles. The accounting records of the Board have been audited annually for the fiscal years ended June 30, 2012 and 2011 by Perry & Associates, Certified Public Accountants, and June 30, 2010 and 2009 by Tetrick, Bartlett and Co., Certified Public Accountants. See APPENDIX C - AUDITED FINANCIAL STATEMENTS, regarding the fiscal years ended June 30, 2012 and June 30, 2011.

Summary of Historical and Projected Gross Revenues and Expenses

The following two schedules summarize historical revenues and expenses of the System for the two fiscal years ended June 30, 2011 and 2012, and projected revenues and expenses of the System for fiscal years 2013 and 2014.

For fiscal years ended June 30, 2010 and June 30, 2011, the Board's Net Revenues were 79% and 118%, respectively, of the Maximum Annual Debt Service on the Bonds. The Board's non-compliance in 2008, 2009 and 2010 with the 120% rate covenant, as required by the Ordinance authorizing the issuance of the 1992 Bonds and the 2002 Bonds, was the result of the delay in the implementation of rates enacted on March 13, 2007 until November 2007 and higher than expected maintenance expenses coupled with the absence of periodic rate increases. Upon review of the debt service requirements and inflationary increases, a need for increased water rates was realized and placed into effect October 1, 2010. This rate increase, as approved, provides for graduated rate step increases. Additionally in August 2010, the Board borrowed $225,000 from the City to cover debt service payments at the Bond Commission. This loan was repaid in June 2011. The first rate increase was placed into effect October 1, 2010, with subsequent increases on October 1, 2011 and October 1, 2012. The final increase goes into effect on October 1, 2013. The subsequent increases under the approved tariff will be effective October 1 annually through 2013. These subsequent annual rate increases have been estimated to generate additional annual revenues in the following amounts: 2011, $317,543 (4.5%); 2012 $278,721 (3.8%); and 2013, $283,007 (3.7%) respectively. During FY 2012 the Board became compliant with the 120% debt service coverage requirement and by October 1, 2012, was current on both debt service and reserve fund requirements at the Bond Commission. The realized debt service coverage factor for FY 2012 was 136%, which is in excess of that required by the bond ordinances. The Board continues to monitor the actual debt service coverage factor realized, and will monitor revenue and expenditure levels in order to continue to be in compliance with the ordinances. With the support of the debt service reserve funds, the City and the Board have never failed to make timely payments of interest on and principal of all of its outstanding indebtedness.

Revenue generated from water sales accounted for $7.16 million of the $7.64 million total operating revenues in fiscal 2012, compared to $6.83 million of the $7.33 million total operating revenues in fiscal 2011.

The Board's net assets were $18.19 million at the end of fiscal 2012 and $17.02 million at the end of fiscal 2011. Included in the net assets are certain "restricted funds" on deposit with the West Virginia Municipal Bond Commission. These restricted assets consist of a maximum annual debt service requirement (Reserve Funds) and the required payment amounts to meet the current year debt service requirements (Revenue Funds). At the end of fiscal 2012 these restricted assets totaled $1.93 million (Reserve) and $1.33 million (Revenue). At the end of fiscal 2011, these amounts were $1.62 million and $1.29 million respectively.

CLARKSBURG WATER BOARD
Summary Statement of Income and Expenses
Actual Results of Operations
Fiscal Years Ended June 30, 2012 and 2011

	2012	2011
Operating Revenue		
Revenue From Water Sales to Customers	$ 7,158,900	$ 6,837,603
Other Revenue	479,281	490,123
Total Operatiing Revenue	7,638,181	7,327,726
Operating Expenses		
Operating Expenses	4,808,280	4,857,512
Depreciation	705,413	634,083
Total Operating Expenses Including Depreciation	5,513,693	5,491,595
Operating Income	2,124,488	1,836,131
Net Non Operating Revenue/(Expenses)	(947,481)	(821,334)
Net Increase in Assets	$ 1,177,007	$ 1,014,797

Source: Board's Annual Audit

CLARKSBURG WATER BOARD
Summary Statement of Income and Expenses
Projected Results of Operations
Fiscal Years Ended June 30, 2013 and 2014

	2013	2014
Operating Revenue		
Revenue From Water Sales to Customers	$ 7,523,697	$ 7,824,645
Other Revenue	490,971	510,609
Total Operatiing Revenue	8,014,668	8,335,254
Operating Expenses		
Operating Expenses	4,982,649	5,319,591
Depreciation	702,805	723,889
Total Operating Expenses Including Depreciation	5,685,454	6,043,480
Operating Income	2,329,214	2,291,774
Net Non Operating Revenue/(Expenses)	(725,106)	(725,288)
Net Increase in Assets	$ 1,604,108	$ 1,566,486

Source: Board

Historic Coverage Table

The following table sets forth the debt service coverages for the fiscal years 2008 – 2012:

	2008	2009	2010	2011	2012
Operating Revenues	6,593,597	6,977,251	6,954,271	7,327,726	7,638,181
Operating Expenes	5,030,769	5,517,007	5,942,627	5,491,595	5,513,693
Net Income	1,562,828	1,460,244	1,011,644	1,836,131	2,124,488
Add Back:					
Depreciation	678,453	686,813	634,083	634,083	705,413
Interest Income	52,697	61,274	9,253	18,462	16,859
Available for DS	2,293,978	2,208,331	1,654,980	2,488,676	2,846,760
Maximum Annual Debt Service:	2,089,976	2,089,976	2,089,976	2,089,976	2,089,976
Coverage	1.10	1.06	0.79	1.18	1.36

Source: Board Annual Audits

APPENDIX C

FINANCIAL STATEMENTS OF THE CLARKSBURG WATER BOARD

RFP# 11-114
Harrison County

WATER BOARD OF THE CITY OF CLARKSBURG
HARRISON COUNTY
Regular Audit
For the Year Ended June 30, 2011

Perry & Associates
Certified Public Accountants, A.C.

WATER BOARD OF THE CITY OF CLARKSBURG
HARRISON COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT

May 11, 2012

Water Board of the City of Clarksburg
1001 S. Chestnut Street
Clarksburg, WV 26301

To the Board:

We have audited the accompanying financial statements of the business-type activities of the **Water Board of the City of Clarksburg,** Harrison County, West Virginia, (the Board), as of and for the year ended June 30, 2011, which collectively comprise the Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Water Board of the City of Clarksburg, as of June 30, 2011 and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2012 on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

Respectfully Submitted,

Perry & Associates CPA's A.C.

Perry & Associates
Certified Public Accountants, A.C.

WATER BOARD OF THE CITY OF CLARKSBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2011
(Unaudited)

In compliance with the Governmental Accounting Standards Board Statement Number 34, *"Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments"* the following management review and analysis has been provided.

This discussion and analysis of the Clarksburg Water Board's (CWB) financial performance is intended to present an overview of the water utility's financial activities for the fiscal year ended June 30, 2011. In addition it is to be reviewed in conjunction with the CWB's financial statements for that same period.

Organization:

The CWB is a Municipal Corporation of the State of West Virginia and was incorporated in 1909.

The CWB was established by the City Charter of the City of Clarksburg, West Virginia. Unlike most cities, the CWB was established as a separate entity of the City of Clarksburg and its financial results and performance should be considered apart from the City. The City Charter established the CWB to have complete jurisdiction and control over the assets, books, revenues, and records of the water utility of the City. The CWB has an elected three-member Board who serves four year terms and is elected by the registered voting residents of the City of Clarksburg.

The CWB appoints the Secretary/Treasurer and General Manager to oversee daily operations of the water utility and advise the Board as required.

Financial Highlights:

The CWB's fixed assets increased as a result of this year's operations. The CWB has an on-going capital improvement program for the repair and/or replacement of water mains, storage reservoirs, and equipment in order to update the utility's infrastructure. During the fiscal year, the capital assets increased $353, and the net assets increased $1,014,797, after allowance for the 2011 depreciation expenses totaling $634,083.

The CWB monitors revenue performance monthly, and year to date debt service coverage factors and requirements are considered. The CWB water rates are approved by the Members of the CWB, and regulated by the Public Service Commission of West Virginia.

Revenue generated from water sales accounted for $6.83 million of the $7.32 million total operating revenues in fiscal 2011, compared to $6.36 million of the $6.95 million total operating revenues in fiscal 2010.

Upon review of the debt service requirements and inflationary increases, a need for increased water rates was realized and placed into effect October 1, 2010. This rate increase, as approved, provides for graduated rate step increases. The first rate increase was placed into effect October 1, 2010. The subsequent increases under the approved tariff will be effective October 1 annually through 2013. The subsequent annual rate increases have been estimated to generate additional annual revenues in the following amounts: 2011, $317,543 (4.5%); 2012 $278,721 (3.8%); and 2013, $283,007 (3.7%) respectively.

The CWB adopted a rate resolution for these increased rates and charges and the Public Service Commission of West Virginia issued the approved tariff of rates and charges on September 21, 2010. It is estimated that this increase will bring the CWB into its annual debt service coverage requirements as set forth in the appropriate CWB bond ordinances.

Overview of the Financial Statements:

This annual report consists of three parts:

1. Management's Discussion and Analysis
2. The Basic Financial Statements
3. Certain Notes to the Financial Statements and Compliance Tests to the statements

The financial statements are prepared on the accrual basis of accounting. All known and outstanding obligations are accrued to the proper reporting period.

The financial statements also include other notes that explain some of the information in the financial statements and provide more explanatory facts regarding the statements.

Condensed Financial Information:

Condensed financial information from the statements of the net assets and revenues as of June 30, 2011 and June 30, 2010; and expenses and changes in net assets for the years ended June 30, 2011 and June 30, 2010 are as follows.

	2011	2010
Current and Other Assets	$ 2,835,073	$ 3,362,605
Restricted Assets	3,203,737	2,436,446
Capital Assets – Net	29,241,695	29,857,494
Total Assets	35,280,505	35,656,545
Current Liabilities	3,089,838	2,808,782
Long-Term Liabilities	15,173,367	16,845,260
Total Liabilities	18,263,205	19,654,042
Net Assets		
Invested in Capital Assets, Net of Related Debt	12,909,423	10,342,040
Restricted	3,203,737	-
Unrestricted	904,140	5,660,464
Total Net Assets	$ 17,017,300	$ 16,002,503

Condensed Financial Information: (Continued)

	2011	2010
Operating Revenue		
Revenue from water sales to customers	$ 6,837,603	$ 6,355,861
Other Revenue	490,123	598,410
Total Operating Revenue	7,327,726	6,954,271
Operating Expenses	4,857,512	5,308,544
Depreciation	634,083	634,083
Total Operating Expenses including depreciation	5,491,595	5,942,627
Operating income	1,836,631	1,011,644
Net Non-Operating revenue/expense	(821,334)	(995,547)
Increase in net assets	1,014,797	16,097
Beginning of year net assets	16,002,503	15,986,406
End of year net assets	$ 17,017,300	$ 16,002,503

The information contained in the condensed financial information table is used as the basis for the discussion presented on the following pages, surrounding the CWB's activities for the fiscal year ended June 30, 2011 and June 30, 2010.

Financial Analysis of the CWB as a Whole:

As mentioned above, the CWB as set up by the City Charter of the City of Clarksburg operates as a separate and distinct entity from the City. The charter establishes that, "All the powers now and hereafter conferred upon municipalities by the laws of the state for the operation of a water utility system, and all powers and duties of the city pertaining to the construction, acquisition, establishment, improvement, operation, management, maintenance, and repair of the municipal water system, and the determination of all matters of policy with respect thereto, are vested in, and shall be exercised by the Water Board".

The CWB's net assets were $17 million at the end of fiscal 2011 and $16 million at the end of fiscal 2010.

Financial Analysis of the CWB as a Whole: (Continued)

Included in the net assets are certain "restricted funds" on deposit with the West Virginia Municipal Bond Commission. These restricted assets require the inclusion of one year's average annual debt service requirement (Reserve Funds) and the required payment amounts to meet the current year debt service requirements (Revenue Funds).

At the end of fiscal 2011 these restricted assets totaled $1.62 million (Reserve) and $1.29 million (Revenue). At the end of fiscal 2010, these amounts were $1.62 million and $1.26 million respectively.

The final fiscal 2011 Budgeted Revenues from water sales actually received was $6.83 million which was 98.51% of the original budgeted amount. Total operating revenues for fiscal year 2010 were $6.95 million, which was 103.64% of the original budgeted amount.

Capital Assets and Debt Administration:

At the end of fiscal 2011, the CWB had $44.33 million in capital assets before depreciation. This amount represents an increase of $353 which was expended for infrastructure improvement during the year.

Long Term Debt

At the end of fiscal 2011 the CWB had $14.50 million in outstanding bonds and notes payable. This represents a net decrease from the end of fiscal 2010 in the amount of $0.97 million.

More information about outstanding debt can be found in the financial statements.

Economic Factors and Future Budgets and Rates:

The deficiency in the debt service coverage factor realized for fiscal 2011, 1.18, which was less than the factor required (1.20) by bond ordinances. The CWB continues to monitor the actual debt service coverage factor realized, and will monitor revenue and expenditure levels in order to be in compliance with the ordinances. As referenced earlier a rate increase request in the amount of 15.2% was approved and implemented on October 1, 2010 in order to restore bond debt service coverage requirements and meet certain increased costs. A 4.5% rate increase was implemented October 1, 2011. Future pre-approved rate increases to be placed into effect on October 1 for the remaining years are as follows: 2012, 3.8%; and 2012, 3.7%.

Subsequent events:

Issues of Non-compliance-Bond Ordinance Requirements:

During this review it was determined that the Clarksburg Water Board did not meet the required debt service coverage factor as required by the bond ordinances. This deficiency has been disclosed earlier in this report.

During this review it was further determined that the Clarksburg Water Board became deficient in meeting certain bond ordinance requirements in relation to funds being held by the Municipal Bond Commission of West Virginia. The CWB has placed into effect a freeze on nonemergency capital project funding until the deficiency has been corrected. In addition, the rate increases placed into effect and mentioned previously will be utilized, in part, to become compliant.

Issues of Non-compliance-Bond Ordinance Requirements: (Continued)

The bond fund deficiency and the bond funds affected are listed in the table below and represent balances, requirements, and deficiencies as of February 9, 2012:

	2/9/2012 Balance	2/9/2012 Requirement	2/9/2012 Surplus (Deficiency)
01-A Revenue	$ 26,204	$ 39,442	$ (13,238)
01-A Reserve	123,136	144,910	(21,774)
02 Revenue	226,313	271,600	(45,287)
02 Reserve	1,383,769	1,458,657	(74,888)
04-A Revenue	39,050	63,075	(24,025)
04-A Reserve	141,906	151,380	(9,474)
92 Revenue	529,175	634,999	(105,824)
92 Reserve	173,653	348,981	(175,328)
Total	$ 2,643,206	$ 3,113,044	$ (469,838)

The Clarksburg Water Board, the General Manager, the Director of Finance and staff are determined to take all measures necessary to become compliant with all requirements of the ordinances.

Contacting the CWB's Financial Management Representative:

This financial report is designed to provide our citizens, water customers, investors, and creditors with a general overview of the CWB's finances and to demonstrate the CWB's accountability for the revenues, bond proceeds, and other funds it receives. Any questions regarding the content of this financial analysis statement should be directed to the Director of Finance, Clarksburg Water Board, 1001 South Chestnut Street, Clarksburg, WV 26301.

WATER BOARD OF THE CITY OF CLARKSBURG
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2011

ASSETS	
Current Assets:	
Cash and Cash Equivalents	$ 118,520
Investments - Manulife & Prudential	165,803
Receivables, Net of Allowance:	
Trade (Net of Allowance for Doubtful Accounts of $100,181)	1,254,174
Other (Net of Allowance for Doubtful Accounts of $1,777)	69,691
Inventory	133,993
Prepaid Expenses	38,792
Total Current Assets	1,780,973
Restiricted Assets:	
Temporary Investments	294,332
State Sinking Fund Investments	2,909,405
Total Restricted Assets	3,203,737
Capital Assets:	
Land and Land Rights	249,951
Non-Utility Property	35,136
Reservoirs	5,389,846
Structures and Improvements	16,928,977
Transmission and Distribution Mains	15,106,427
Equipment	6,626,725
Less Accumulated Depreciation	(15,095,367)
Total Capital Assets (Net of Accumulated Depreciation)	29,241,695
Other Assets:	
Unamortized Bond Discount and Issue Costs	954,570
Preliminary Survey and Investigation Costs	87,994
Rate Case	11,536
Total Other Assets	1,054,100
TOTAL ASSETS	$ 35,280,505
LIABILITIES AND NET ASSETS	
Liabilities	
Current Liabilities (Payable from Current Assets):	
Accounts Payable and Other Accrued Liabilities	$ 785,663
Other Post Employment Benefits	652,307
Refund Payable	2,610
Total Current Liablities (Payable from Current Assets)	1,440,581
Current Liabilities (Payable from Restricted Assets):	
Current Portion of Note Payable to City of Clarksburg	60,000
Current Portion of Bonds Payable	558,702
Accrued Bond Interest Payable	779,282
Customer Deposits	102,138
Construction Deposits	4,656
Total Current Liabilities (Payable from Restricted Assets)	1,504,778
Long-Term Liabilities (Net of Current Portion):	
Compensated Absences	239,079
Note Payable to City of Clarksburg	317,806
Accrued Capital Appreciation Bond Interest	
(Payable from Restricted Assets)	1,057,889
Bonds Payable (Payable from Restricted Assets)	13,558,593
Total Long-Term Liabilities (Net of Current Portion)	15,173,367
Non Current Liabilities	
Unamortized Bond Premium	144,479
Total Liabilities	18,263,205
Net Assets	
Invested in Capital Assets, Net of Related Debt	12,909,423
Restricted	3,096,943
Unrestricted	1,010,934
Total Net Assets	17,017,300
TOTAL LIABILITIES AND NET ASSETS	$ 35,280,505

The accompanying notes are an integral part of these financial statements.

WATER BOARD OF THE CITY OF CLARKSBURG
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDING JUNE 30, 2011

Operating Revenues:		
Water Sales	$	6,837,603
Billing and Collections		75,929
Fire Protection		216,866
Other Income		174,792
Rental Income		16,500
Gain on Disposal of Assets		6,036
Total Operating Revenue		7,327,726
Operating Expenses:		
Treatment Expenses		1,735,096
Distribution Expenses		1,273,876
Engineering Expenses		224,692
Customer Accounting and Collection		487,994
General and Administrative		1,135,854
Depreciation		634,083
Total Operating Expenses		5,491,595
Operating Income/(Loss)		1,836,131
Non-Operating Revenues (Expenses):		
Change in the Fair Value of Investments		(29,423)
Interest and Dividends		18,462
Interest and Fiscal Charges		(727,693)
Amortization of Bond Discount and Issue Costs		(102,847)
Amortization of Bond Premium		15,620
Nonoperating Miscellaneous		4,547
Total Non-Operating Revenues (Expenses)		(821,334)
Change in Net Assets		1,014,797
Net Assets, Beginning of Year		16,002,503
Net Assets, End of Year	$	17,017,300

The accompanying notes are an integral part of these financial statements.

WATER BOARD OF THE CITY OF CLARKSBURG
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011

Cash Flows from Operating Activities:		
Receipts from customers	$	7,047,575
Receipts from other sources		177,302
Payments to suppliers		(2,587,094)
Payments to employees		(1,860,078)
Payments for taxes, other than income tax		(353,857)
Net cash provided (used) in operating activities		2,423,848
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of property and equipment		(18,285)
Decrease (increase) in preliminary survey costs		(3,220)
Cost of Rate Case		(11,537)
Principal paid on bonds		(581,282)
Interest paid on bonds and notes payable		(1,520,823)
Payments on notes payable		(60,000)
Net Cash Provided (Used) by Capital and Related Financing Activities		(2,195,147)
Cash Flows from Investing Activities:		
Interest and Dividends Income		18,462
Purchase of Investments		(767,291)
Proceeds from Sale of Equipment		6,036
Miscellaneous		4,547
Contributions in Aid of Construction		4,565
Net Cash Provided (Used) by Investing Activities		(733,681)
Net Increase (Decrease) in Cash and Cash Equivalents		(504,980)
Cash and Cash Equivalents at Beginning of Year		623,500
Cash and Cash Equivalents at End of Year	$	118,520
Adjustments to Reconcile Operating Income to Cash Flows from Operating Activities:		
Operating Income (Loss)	$	1,836,131
Depreciation		634,083
(Increase) decrease in:		
Accounts receivable - trade		(38,288)
Accounts receivable - other		(46,204)
Inventory		(17,884)
Prepaid expenses		2,915
Increase (decrease) in:		
Accounts payable and accrued expenses		51,865
Construction Deposits		4,656
Refund Payable		2,610
(Gain) Loss on Disposal of Assets		(6,036)
Net cash provided by (used in) operating activities	$	2,423,848

The accompanying notes are an integral part of these financial statements.

WATER BOARD OF THE CITY OF CLARKSBURG
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

1. Summary of Significant Accounting Policies

The Water Board of the City of Clarksburg (the Board), was established in 1909 by act of legislature and is provided for by the Charter for the City of Clarksburg (the "City") and the Official West Virginia Code of 1931, as amended. The Board consists of three elected members and, as authorized by the City Charter, manages and maintains the City's water purification and distribution systems independent of control by the Council of the City and the City Manager.

The accounting policies of the Board conform to generally accepted accounting principles applicable to governmental units. The Board complies with accounting principles generally accepted in the United States of America and applies all relevant Government Accounting Standards Board (GASB) pronouncements. In addition, the Board applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

A. Financial Reporting Entity

The Board complies with GASB Statement No. 14, *"The Financial Reporting Entity."* This statement establishes standards for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Board considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include in the Board's financial statements.

B. Basis of Presentation

The Board's fund is an enterprise fund. Enterprise funds are proprietary funds used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe *which* transactions are recorded within the various financial statements. Basis of accounting refers to *when* transactions are recorded regardless of the measurement focus applied.

The proprietary funds utilize an *"economic resources"* measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

All Proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Board's enterprise fund is charges to customers for water sales and service. The Board also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Cash Equivalents

Cash on hand and deposits with banking institutions either in checking, savings, or money market accounts are presented as cash in the accompanying financial statements. Such deposits at June 30, 2011 were entirely covered by federal depository insurance or secured by adequate bond or other securities held by the banking institution in the Board's name. The carrying amount of cash accounts at June 30, 2011 was $118,520, while the bank balance was $300,552.

Investments and restricted assets are stated at cost, which approximates market.

E. Restricted Cash Investments

These accounts represent amounts that are restricted in their use. The Debt Service and Debt Reserve Funds are requirements of the bond indentures.

F. Accounts Receivable – Customers

The Board uses the allowance method of recognizing bad debts and a provision of $100,181 has been established for uncollectible accounts at June 30, 2011, respectively.

G. Inventory

Inventory values are determined on the average cost method and are stated at the lower of cost or market.

1. **Summary of Significant Accounting Policies (Continued)**

H. Capital Assets

Capital assets are recorded at cost which includes labor, materials, services and interest on funds used during construction and other indirect costs. Depreciation of all exhaustible capital assets used by the Board is charged as an expense against operations and accumulated depreciation is reported on the Board's balance sheet. Depreciation has been provided for over the estimated useful lives using the straight-line method at rates of 1½ to 20% per year.

I. Preliminary Survey and Investigation Cost

Preliminary survey and investigation costs represent expenditures for preliminary surveys, plans and investigation for determining the feasibility of contemplated projects. When project construction is completed, these costs will be capitalized as part of capital assets, or if the project is rejected, these costs will be charged to expense in the year the project is rejected.

J. Amortization

Debt discount and expense on bonds is amortized on the straight-line method from the date of issuance to the date of maturity.

K. Customer Deposits

Customer deposits are refunded after bills for services have been paid by the due date for twelve consecutive months.

L. Concentration of Credit Risk

The Water Board of the City of Clarksburg is a utility providing water services to residential, commercial, and governmental entities in Harrison County, West Virginia. The Board grants credit to all of its customers on a monthly basis.

M. Equity Classifications

Equity is classified as net assets and displayed in three components:

a. Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets

1. **Summary of Significant Accounting Policies (Continued)**

M. Equity Classifications (Continued)

b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation

c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

N. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. **Deposits**

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Board's deposits may not be returned to it. It is the Board's policy for deposits to be 100% secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation Insurance.

The Board's deposits are categorized to give an indication of the level of risk assumed by the Board at June 30, 2011. The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3 - Uncollateralized.

2. Deposits (Continued)

Custodial Credit Risk (Continued)

June 30, 2011

Non-Pooled Deposits	Bank Balance	Category 1	Category 2	Category 3	Carrying Amount
Checking and Money Market	$ 300,552	$ 250,000	$ 50,552	$ -	$ 117,261

Additionally, the cash on hand of $1,259 at June 30, 2011 was included in cash on the statement of net assets.

3. Investments

The December 17, 1992 and July 11, 2002, bond ordinances authorize the Board to invest all bond proceeds in obligations of the United States and certain of its agencies, certificates of deposit, public housing bonds, direct and general obligations of states which are rated in the highest categories by Standard and Poor's Corporation and Moody's Investors Service, and repurchase agreements relating to certain securities. Sinking fund investments are managed by the West Virginia Municipal Bond Commission.

Investments made by the Board are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the three categories described below at June 30, 2011:

Category 1 - Insured or registered, or securities held by the Board or its agent in the Board's name.

Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Board's name.

Category 3 - Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Board's name.

3. Investments

June 30, 2011

	Category 1	2	3	Carrying Amount	Market Value
Other temporary cash Investments	$ 294,332	$ -	$ -	$ 294,332	$ 294,332
Investments in Municipal Bond Commission	2,909,405	-	-	2,909,405	2,909,405
Other investments - Manulife and Prudential Stock	165,803	-	-	165,803	165,803
Total investments	$ 3,369,540	$ -	$ -	$ 3,369,540	$ 3,369,540

Interest Rate Risk: The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: The Board is authorized to provide excess funds to either the State Investment Pool or the Municipal Bond Commission for investment purposes, or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit and repurchase agreements. The Board has no investment policy that would further limit its investment choices.

Concentration of Credit Risk: The Board places no limit on the amount the Board may invest in any one issuer. 100% of the Board's investments are in Investment in the State investment pool.
As of February 1, 2000 the Board was granted shares in John Hancock Financial Services, Inc. (JHF) as compensation for surrendering membership rights in John Hancock Mutual Life Insurance Company. Then on December 18, 2001, the Board was granted shares in Prudential Financial, Inc. as compensation for surrendering membership rights in Prudential financial. Furthermore, on September 28, 2003 a merger between John Hancock and Manulife Financial Corporation was approved. Therefore the shares of John Hancock Financial were converted to Manulife Financial (MLF).

4. Capital Assets

Capital assets activity for the years ended June 30, 2011 was as follows:

June 30, 2011

	Balance at 7/1/2010	Additions	Deletions	Balance at 6/30/2011
Capital assets, not being depreciated:				
Land and land rights	$ 249,951	$ -	$ -	$ 249,951
Non-utility property	35,136	-	-	35,136
Construuction in progress	-	-		-
Total capital assets, not being depreciated	285,087	-	-	285,087
Capital assets being depreciated:				
Reservoirs	5,389,846		-	5,389,846
Structures and improvements	16,925,098	3,879	-	16,928,977
Transmission and distribution mains	15,098,110	8,317	-	15,106,427
Equipment	6,638,568	6,089	17,932	6,626,725
Total capital assets, being depreciated	44,051,622	18,285	17,932	44,051,975
Less: Accumulated Depreciation:				
Reserviors	(333,279)	(13,726)	-	(347,005)
Structures and improvements	(6,016,808)	(247,031)	-	(6,263,839)
Transmission and distribution mains	(6,951,588)	(226,401)	-	(7,177,989)
Equipment	(1,177,540)	(146,925)	(17,932)	(1,306,534)
Less accumulated depreciation	(14,479,215)	(634,083)	(17,932)	(15,095,367)
Total capital assets being depreciated, net	29,572,407	(615,798)	0	28,956,608
Total capital assets, net	$ 29,857,494	$ (615,798)	$ 0	$ 29,241,695

5. Long Term Debt

The following is a summary of bonds payable at June 30, 2011:

June 30, 2011

	Issue Date	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due After One Year
a. Waterworks Improvements Refunding Revenue Bonds Series 1992	1993	$ 1,098,258	$ -	$ 392,976	$ 705,282	$ 364,427	$ 340,855
b. Water Revenue Bonds - Series 2001A	2001	1,514,061	-	115,490	1,398,571	117,819	1,280,752
c. Water Refunding Revenue Bonds - Series 2002	2002	10,515,000	-	-	10,515,000	-	10,515,000
d. Water Revenue Bonds - Series 2004A	2004	1,571,258	-	72,816	1,498,442	76,456	1,421,986
Total long-term debt		$ 14,698,577	$ -	$ 581,282	$ 14,117,295	$ 558,702	$ 13,558,593

Waterworks Improvement and Refunding Revenue Bonds - Series 1992

During the year ended June 30,1993, the City of Clarksburg issued $25,500,405 of Waterworks Improvement and Refunding Revenue Bonds, Series 1992 to: (i) refund the City's Waterworks Improvement and Refunding Revenue Bonds, Series 1985 and Waterworks Revenue Bonds, Series 1986, (ii) fund a reserve account for the Series 1992 Bonds, (iii) pay certain costs of issuance, and (iv) pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements for the City's existing waterworks system. The Bonds are special obligations of the City and are secured by the revenues of the waterworks system, moneys in the sinking and depreciation funds, and unexpended proceeds of the Bonds.

Interest on $23,530,000 of current interest bonds is payable on each March 1 and September 1 at rates ranging from 3.25% to 6.25%. Interest on $1,970,405 of capital appreciation bonds is compounded on each March 1 and September 1 at rates ranging from 6.70% to 6.80% and is payable at maturity. The aggregate maturity amount of the capital appreciation bonds, or $6,350,000, is due in amounts of $1,270,000 annually from September 1, 2010 through 2012. The current interest bonds are subject to redemption prior to maturity.

On July 25, 2002, the City of Clarksburg issued $16,260,000 of Water Refunding Revenue Bonds, Series 2002 with interest rates ranging between 1.6% and 5.25%. The Bonds are being issued by the City of Clarksburg to provide funds (i) to refund a portion of the Issuer's Waterworks Improvement and Refunding Revenue Bonds, Series 1992, consisting of the Current Interest Bonds in the principal amount of $17,375,000 and (ii) to pay costs of issuing the Bonds.
The advance refunding reduced the total debt service payments over the next 20 years by $2,071,816. This results in an economic gain (difference between the present values of the debt service payments on the old and the new debt) of $1,305,150.

The payment of the principal of and interest on the bonds is insured under the terms of a financial guaranty insurance policy by Asset Guaranty Reinsurance Company.

5. Long Term Debt (Continued)

Waterworks Improvement and Refunding Revenue Bonds -Series 1992

The principal balance at June 30, 2011 was $705,282.

Future maturities of bond principal and interest on Board indebtedness at June 30, 2011 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2012	$ 364,427	$ 905,573	$ 1,270,000
2013	340,855	929,145	1,270,000
Total	$ 705,282	$ 1,834,718	$ 2,540,000

Water Revenue Bonds – Series 2001A

During the years ended June 30, 2002 and 2001 the City of Clarksburg issued $2,383,850 of Water Revenue Bonds Series 2001A. These bonds are for 20 years and have a stated interest rate of 2% and 1 % administrative fee payable quarterly payments starting June 1, 2002. These bonds were issued to (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer; and (ii) to pay certain costs of issuance of the Bonds of this Series and related costs.

Principal balance was $1,398,571 at June 30, 2011.

These bonds are payable only from and secured by a pledge of the Gross Revenues to be derived from the operation of the system.

Future maturities of bond principal and interest on this indebtedness at June 30, 2011 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2012	$ 117,819	$ 27,091	$ 144,910
2013	120,193	24,718	144,911
2014	122,615	22,295	144,910
2015	125,086	19,825	144,911
2016-2020	664,264	60,284	724,548
2021-2022	248,594	4,997	253,591
Total	$ 1,398,571	$ 159,210	$ 1,557,781

5. Long Term Debt (Continued)

Water Refunding Revenue Bonds – Series 2002

On July 25, 2002, the City of Clarksburg issued $16,260,000 of Water Refunding Revenue Bonds, Series 2002. The Bonds are being issued by the City of Clarksburg to provide funds (i) to refund a portion of the Issuer's Waterworks Improvement and Refunding Revenue Bonds, Series 1992, consisting of the Current Interest Bonds in the principal amount of $17,375,000 and (ii) to pay costs of issuing the Bonds.

These bonds are payable solely from and secured by the Gross Revenues of the waterworks system and moneys held in certain sinking funds by the West Virginia Municipal Bond Commission.

Interest on $7,025,000 of Serial Bonds is payable on each March 1 and September 1 at rates ranging from 1.60% to 4.25% through 09/01 /13. Interest on $9,235,000 of Term Bonds is payable on each March 1 and September 1 at 5.25% through 09/01/19. These Bonds are subject to redemption prior to maturity. The principal balance was $10,515,000 at June 30, 2011.

The payment of the principal and interest on these bonds is insured under the terms of a financial guaranty insurance policy issued by Financial Guaranty Insurance Company.

Future maturities of bond principal and interest on Board indebtedness at June 30, 2011 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2012	$ -	$ 537,638	$ 537,638
2013	-	537,638	537,638
2014	1,280,000	511,237	1,791,237
2015	1,345,000	449,531	1,794,531
2016-2020	7,890,000	1,078,875	8,968,875
Total	$ 10,515,000	$ 3,114,919	$ 13,629,919

Water Revenue Bonds – Series 2004A

During the year ended June 30, 2005 the City of Clarksburg issued $1,885,764 of Water Revenue Bonds Series 2004A. These bonds are for 20 years and have a stated interest rate of 5%. Principal will be paid annually beginning October I, 2005 and semi-annual interest payments began on October 1, 2004. These bonds were issued to (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer; and (ii) to pay certain costs of issuance of the Bonds of this Series and related costs. Principal balance was $1,498,442 at June 30, 2011.

5. Long Term Debt (Continued)

Water Revenue Bonds – Series 2004A (Continued)

These bonds are payable only from and secured by a pledge of the Gross Revenues to be derived from the operation of the system.
Future maturities of bond principal and interest on this indebtedness at June 30, 2011 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2012	$ 76,456	$ 73,011	$ 149,467
2013	80,279	69,092	149,371
2014	84,293	64,978	149,271
2015	88,508	60,658	149,166
2016-2020	513,515	230,540	744,055
2021-2025	655,391	85,118	740,509
Total	$ 1,498,442	$ 583,397	$ 2,081,839

The Debt Service Coverage Factor has been calculated as follows for the year ended June 30, 2011:

		2011
Operating revenues		$ 7,327,726
Operating expenses		5,491,595
Operating income		1,836,131
Add:	Depreciation Expense	634,083
	Interest and dividend income - allowed	18,462
Amounts available for debt service and capital expenditures		$ 2,488,676
Maximum annual debt service		$ 2,102,430
Calculated debt service coverage factor		1.18

Based on this calculation, it appears that the Board was not in compliance with the provisions set forth in the Bond Ordinance for the Waterworks Improvement and Refunding Revenue Bonds, Series 1992, Water Revenue Bond - Series 2001A, Water Refunding Revenue Bonds - Series 2002 and Water Revenue Bond - Series 2004A, as of June 30, 2011.

6. Note Payable to the City of Clarksburg

The note payable to the City of Clarksburg represents funds borrowed from the City of Clarksburg to aid in construction of the extension project required for the new FBI facility. The note does not bear interest and the maximum borrowing limit under the note is $1,200,000. The Water Board shall not be obligated to pay sums except from "surplus revenues" which may or may not be available in future years beginning January 1, 1999 at $5,000 per month.

Future repayments are scheduled as follows:

2012	$ 60,000
2013	60,000
2014	60,000
2015	60,000
2016	60,000
2017 - 2018	77,806
Total	$377,806

7. Rental Income

The Board leases an office at 432 West Main Street under an operating lease. The lease terms are $1,500 per month beginning April 2010 and ending March 2015.

The following is a schedule of future minimum rental income under this lease as of June 30, 2011:

2012	18,000
2013	18,000
2014	18,000
2015	12,000
Total	$ 66,000

8. Employee Retirement System

The Water Board of the City of Clarksburg elected to become a participating public employer under the West Virginia Public Employees' Retirement System for the coverage of all eligible employees. The plan is funded through employer contributions of 12.5% of payroll and member contributions of 4.5% of payroll.

The Water Board of the City of Clarksburg's contribution to the West Virginia Public Employees Retirement System for the year ended June 30, 2011:

8. Employee Retirement System (Continued)

June 30, 2011

Percentage of Payroll	Total Wages	Covered Wages	Amount
Employer Share - 12.5%	$1,817,345	$ 1,697,876	$ 212,235
Employee Share - 4.5%	1,817,345	1,697,876	$ 76,404
Total contribution			$ 288,639

The following is a summary of eligibility factors, contributions methods, and benefits provisions:

	Public Employees' Retirement System (PERS)
Eligibility to participate	All Board full-time employees, except those covered by other pension plans
Authority establishing contributions obligations and benefits provision	State Statue
Plan member's contribution rate	4.50%
Boards contribution rate	12.5%
Period required to vest	Five years
Benefit and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contribution service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 10) times the years of service times 2% equals the annual retirement benefit.
Deferred retirement portion	No
Provision for:	
Cost of living	No
Death benefits	Yes

PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees Retirement System, Building 5, Room 1000, 1900 Kanawha Boulevard East, Charleston, WV 25305.

9. Retiree Health Plan (RHP)

Plan Description

The Water Board of the City of Clarksburg, West Virginia contributes to the West Virginia Retiree Health Benefits Trust Fund (RHBT), a cost-sharing, multiple-employer defined benefit post-employment health care plan administered by the West Virginia Public Employees Insurance Agency (PEIA). RHBT provides medical benefits to eligible retired employees of participating employers. Eligibility is primarily established through participation in certain defined benefit plans. RHBT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: West Virginia Retiree Health Benefits Trust, Building 5, Room 1001, 1900 Kanawha Boulevard East, Charleston, West Virginia 25305-0710.

Authority Established the Plan and Fund Policy:

Chapter 5, Article 16D of the West Virginia State Code assigns the authority to establish and amend benefits and provisions to the RHBT. Plan members are currently required to contribute $167.00 per month per active health policy. Participating employers are contractually required to contribute at a rate assessed each year by RHBT. The RHBT board sets the employer contribution rate based on the annual required contributions of the plan (ARC), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

Annual required contributions	$ 307,188
Adjustment to annual required contribution	-
Annual OPEB cost	307,188
Contributions made	-
Increase (decrease) in net OPEB obligation	307,188
Net OPEB obligation (asset) beginning of year	345,119
Net OPEB obligation (asset) end of year	$ 652,307

Four-Year Trend Information

The Board contributed the following amounts:

9. Retiree Health Plan (RHP) (Continued)

Year Ending Obligation (Asset)	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB
June 30, 2011	$ 307,188	0%	$ 652,307
June 30, 2010	333,596	0%	345,119
June 30, 2009	93,908	88%	11,523
June 30, 2008	208,353	100%	-

10. Related Party Transactions

Sanitary Board of the City of Clarksburg

The Board provides billing and collection services for the Sanitary Board of the City of Clarksburg. The following transactions took place with the Sanitary Board for the year ended June 30, 2011:

	2011
Fees for collection and administrative services	$ 75,929
Collection and remittances on Sanitary Board trade receivables	$2,731,670

City of Clarksburg

The Board provides collection services for the utility taxes for the City of Clarksburg. The following transactions took place with the City of Clarksburg for utility taxes for the year ended June 30, 2011:

	2011
Collections and remittances on the Utility Tax trade receivables	$ 100,161

11. Credit Concentration

The Board's revenues are generated from the provision of water utility services to the residents of Clarksburg, West Virginia, as well as the residents of the rural areas of Harrison County, West Virginia, surrounding that city. The ultimate collection of the accounts receivable resulting from the Board's revenues is dependent upon the residents' income and payment ability.

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INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

May 11, 2012

Water Board of the City of Clarksburg
1001 S. Chestnut Street
Clarksburg, WV 26301

To the Board:

We have audited the financial statements of the business-type activities of the **Water Board of the City of Clarksburg**, Harrison County, West Virginia, (the Board), as of and for the year ended June 30, 2011, which collectively comprise the Board's basic financial statements and have issued our report thereon dated May 11, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not to opine on the effectiveness of the Board's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Board's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Board's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Board's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of audit findings as items 2011-001 and 2011-002.

The Board's responses to the findings identified in our audit are described in the accompanying schedule of audit findings. We did not audit the Board's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of management, the Board of Directors of the Water Board of the City of Clarksburg, grantors, and others within the Board. We intend it for no one other than these specified parties.

Respectfully Submitted,

Perry & Associates
Certified Public Accountants, A.C.

WATER BOARD OF THE CITY OF CLARKSBURG
CLARKSBURG, WEST VIRGINIA

SCHEDULE OF AUDIT FINDINGS
JUNE 30, 2011

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

FINDING NUMBER 2011-001

Noncompliance

Covenants with Bond Holders – West Virginia Code 8-20-8 (Sections 6.04 of the Bond Ordinance)

The Board failed to meet the bond ordinance in providing for the Net Revenues to be equal to not less than the sum of 120% if the Maximum Annual Debt Service on the Bonds in any fiscal year.

Section 6.04 of the Board Ordinance requires in part...

> ...that the schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenue from the system sufficient to make the prescribed payments into the funds and accounts created hereunder...the Issuer and the Clarksburg Water Board herby covenant and agree that the schedule or schedules of rates or charges from time to time in effect shall be sufficient to produce Net Revenues equal to not less than the sum of (i) 120% of the Maximum Annual Debt Service on the Bonds in any fiscal year; and...

The Board is not in compliance with the Bond Ordinance due to insufficient rates in effect for the period.

We recommend the Board take the necessary managerial steps to ensure that the Board becomes in compliance with the Board Ordinance.

Management's Response – Management will monitor operating revenues over operating expenditures to ensure that they are not less than the sum of 120% of the Maximum Annual Debt Service for subsequent periods.

FINDING NUMBER 2011-002

Noncompliance

Covenants with Bond Holders – West Virginia Code 8-20-8 (Section 4.03 of the Bond Ordinance)

The Board failed to meet the bond ordinance in providing the monthly required sinking fund deposits.

Section 4.03 of the Bond Ordinance requires that:

> C. 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 4.03 and Gross Revenues shall be applied to such deficiencies before being applies to any other payments hereunder.

WATER BOARD OF THE CITY OF CLARKSBURG
CLARKSBURG, WEST VIRGINIA

SCHEDULE OF AUDIT FINDINGS
JUNE 30, 2011

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

FINDING NUMBER 2011-002 (Continued)

Noncompliance

Covenants with Bond Holders – West Virginia Code 8-20-8 (Section 4.03 of the Bond Ordinance)

The Board is not in compliance with the Bond Ordinance due to the management not having proper procedures in place to make the required sinking fund deposits. We recommend the Board take the necessary managerial steps to ensure that the Board becomes in compliance with the Bond Ordinance.

We recommend the Board take the necessary managerial steps to ensure that the Board becomes in compliance with the Board Ordinance.

Management's Response – Management will monitor the required monthly deposits due and will fulfill the deficit requirements as funds become available.

WATER BOARD OF THE CITY OF CLARKSBURG
CLARKSBURG, WEST VIRGINIA

SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2011

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; ***Explain***
2010-001	Reconciliation of General Leger Accounts – Not consistently performing reconciliations of the general ledger	Yes	N/A
2010-002	Segregation of Duties – Duties were not segregated	Yes	N/A
2010-003	Covenants with Bond Holders Section 6.04 of the Bond Ordinance – Not meeting the 120% requirement	No	Repeated as Finding 2011-001
2010-003	Covenants with Bond Holders Section 4.03 of the Bond Ordinance – Not depositing monthly required sinking fund deposits	No	Repeated as Finding 2011-002

RFP# 11-114
Harrison County

WATER BOARD OF THE CITY OF CLARKSBURG
HARRISON COUNTY
Regular Audit
For the Years Ended June 30, 2012 and 2011

Perry & Associates
Certified Public Accountants, A.C.

WATER BOARD OF THE CITY OF CLARKSBURG
HARRISON COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT

December 14, 2012

Water Board of the City of Clarksburg
1001 S. Chestnut Street
Clarksburg, WV 26301

To the Board:

We have audited the accompanying financial statements of the business-type activities of the **Water Board of the City of Clarksburg,** Harrison County, West Virginia, (the Board), as of and for the years ended June 30, 2012 and June 30, 2011, which collectively comprise the Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Water Board of the City of Clarksburg, as of June 30, 2012 and June 30, 2011 and the respective changes in financial position and cash flows, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2012 on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

Respectfully Submitted,

Perry & Associates
Certified Public Accountants, A.C.

WATER BOARD OF THE CITY OF CLARKSBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(Unaudited)

In compliance with the Governmental Accounting Standards Board Statement Number 34, *"Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments"* the following management review and analysis has been provided.

This discussion and analysis of the Clarksburg Water Board's (CWB) financial performance is intended to present an overview of the water utility's financial activities for the fiscal year ended June 30, 2012. In addition it is to be reviewed in conjunction with the CWB's financial statements for that same period.

Organization:

The CWB is a Municipal Corporation of the State of West Virginia and was incorporated in 1909.

The CWB was established by the City Charter of the City of Clarksburg, West Virginia. Unlike most cities, the CWB was established as a separate entity of the City of Clarksburg and its financial results and performance should be considered apart from the City. The City Charter established the CWB to have complete jurisdiction and control over the assets, books, revenues, and records of the water utility of the City. The CWB has an elected three-member Board who serves four year terms and is elected by the registered voting residents of the City of Clarksburg.

The CWB appoints the Secretary/Treasurer and General Manager to oversee daily operations of the water utility and advise the Board as required.

Financial Highlights:

The CWB's fixed assets increased as a result of this year's operations. The CWB has an on-going capital improvement program for the repair and/or replacement of water mains, storage reservoirs, and equipment in order to update the utility's infrastructure. During the fiscal year the fixed assets increased $2,009, and the net assets increased $1,177,007 after allowance for the 2012 depreciation expenses totaling $705,413.

The CWB monitors revenue performance monthly, and year to date debt service coverage factors and requirements are considered. The CWB water rates are approved by the Members of the CWB, and regulated by the Public Service Commission of West Virginia.

Revenue generated from water sales accounted for $7.16 million of the $7.64 million total operating revenues in fiscal 2012, compared to $6.83 million of the $7.33 million total operating revenues in fiscal 2011.

Upon review of the debt service requirements and inflationary increases, a need for increased water rates was realized and placed into effect October 1, 2010. This rate increase, as approved, provides for graduated rate step increases. The first rate increase was placed into effect October 1, 2010. The subsequent increases under the approved tariff will be effective October 1 annually through 2013. The subsequent annual rate increases have been estimated to generate additional annual revenues in the following amounts: 2011, $317,543 (4.5%); 2012 $278,721 (3.8%); and 2013, $283,007 (3.7%) respectively.

The CWB adopted a rate resolution for these increased rates and charges and the Public Service Commission of West Virginia issued the approved tariff of rates and charges on September 21, 2010. It is estimated that this increase will bring the CWB into its annual debt service coverage requirements as set forth in the appropriate CWB bond ordinances.

WATER BOARD OF THE CITY OF CLARKSBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(Unaudited)

Overview of the Financial Statements:

This annual report consists of four parts:

1. Management's Discussion and Analysis
2. The Basic Financial Statements
3. Required Supplemental Information
4. Certain Notes and Compliance Tests to the statements

The financial statements are prepared on the accrual basis of accounting. All known and outstanding obligations are accrued to the proper reporting period.

The financial statements also include other notes that explain some of the information in the financial statements and provide more explanatory facts regarding the statements.

Condensed Financial Information:

Condensed financial information from the statements of the net assets as of June 30, 2012 and June 30, 2011; and revenues, expenses and changes in net assets for the years ended June 30, 2012 and June 30, 2011 are as follows:

	2012	2011
Assets		
Current and Other Assets	$ 3,266,680	$ 2,835,073
Restricted Assets	3,558,404	3,203,737
Capital Assets - Net	28,619,356	29,241,695
Total Assets	$ 35,444,440	$ 35,280,505
Liabilities		
Current Liabilities	$ 3,467,172	$ 2,945,359
Long-Term Debt	13,782,961	15,317,846
Total Long Term Debt	17,250,133	18,263,205
Net Assets		
Invested In Capital Assets, Net of Related Debt	13,614,679	12,909,423
Restricted	3,558,404	3,096,943
Unrestricted	1,021,224	1,010,934
Total Net Assets	18,194,307	17,017,300
Total Liabilities and Net Assets	$ 35,444,440	$ 35,280,505

Condensed Financial Information: (Continued)

	2012	2011
Operating Revenue		
Revenue From Water Sales to Customers	$ 7,158,900	$ 6,837,603
Other Revenue	479,281	490,123
Total Operatiing Revenue	7,638,181	7,327,726
Operating Expenses		
Operating Expenses	4,808,280	4,857,512
Depreciation	705,413	634,083
Total Operating Expenses Including Depreciation	5,513,693	5,491,595
Operating Income	2,124,488	1,836,131
Net Non Operating Revenue/(Expenses)	(947,481)	(821,334)
Net Increase in Assets	$ 1,177,007	$ 1,014,797
Net Assets, Beginning of Year	17,017,300	16,002,503
Net Assets, End of Year	$ 18,194,307	$ 17,017,300

The information contained in the condensed financial information table is used as the basis for the discussion presented on the following pages, surrounding the CWB's activities for the fiscal year ended June 30, 2012 and June 30, 2011.

Financial Analysis of the CWB as a Whole:

As mentioned previously, the CWB as set up by the City Charter of the City of Clarksburg operates as a separate and distinct entity from the City. The charter establishes that, "All the powers now and hereafter conferred upon municipalities by the laws of the state for the operation of a water utility system, and all powers and duties of the city pertaining to the construction, acquisition, establishment, improvement, operation, management, maintenance, and repair of the municipal water system, and the determination of all matters of policy with respect thereto, are vested in, and shall be exercised by the Water Board".

The CWB's net assets were $18.19 million at the end of fiscal 2012 and $17.02 million at the end of fiscal 2011.

Included in the net assets are certain "restricted funds" on deposit with the West Virginia Municipal Bond Commission. These restricted assets require the inclusion of one year's average annual debt service requirement (Reserve Funds) and the required payment amounts to meet the current year debt service requirements (Revenue Funds).

At the end of fiscal 2012 these restricted assets totaled $1.93 million (Reserve) and $1.33 million (Revenue). At the end of fiscal 2011, these amounts were $1.62 million and $1.29 million respectively.

The final fiscal 2012 Budgeted Revenues from water sales actually received was $7.16 million which was 101.25% of the original budgeted amount. Total operating revenues for fiscal year 2011 were $6.83 million, which was 98.51% of the original budgeted amount.

Capital Assets and Debt Administration:

At the end of fiscal 2012, the CWB had $44.34 million in capital assets before depreciation. This amount represents an increase of $2,009 which was expended for infrastructure improvement during the year.

Long Term Debt

At the end of fiscal 2012 the CWB had $13.88 million in outstanding bonds and notes payable. This represents a net decrease from the end of fiscal 2011 in the amount of $0.62 million.

More information about outstanding debt can be found in the financial statements.

Economic Factors and Future Budgets and Rates:

During FY 2012 Clarksburg Water Board became compliant with the debt service coverage factor required by bond ordinances of 1.20. The realized debt service coverage factor for FY 2012 was 1.35, which is in excess of that required by the bond ordinances. The CWB continues to monitor the actual debt service coverage factor realized, and will monitor revenue and expenditure levels in order to continue to be in compliance with the ordinances. As referenced earlier, a rate increase request in the amount of 15.2% was approved and implemented on October 1, 2010 in order to restore bond debt service coverage requirements and meet certain increased costs. A 4.3% rate increase was implemented October 1, 2011. Future pre-approved rate increases will be placed into effect on October 1, 2012 and October 1, 2013 at a rate of 3.2% for each of the two years.

Subsequent Events:

Issues of Non-compliance-Bond Ordinance Requirements:

During this review it was further determined that the Clarksburg Water Board was deficient in meeting certain bond ordinance requirements in relation to funds being held by the Municipal Bond Commission of West Virginia. The CWB has placed into effect a freeze on nonemergency capital project funding until the deficiency has been corrected. In addition, the rate increases placed into effect and mentioned previously will be utilized, in part, to become compliant.

The bond fund deficiency and the bond funds affected are listed in the table on the next page and represent balances, requirements, and deficiencies as of August 27, 2012:

Issues of Non-compliance-Bond Ordinance Requirements: (Continued)

	8/27/2012 Balance	8/27/2012 Requirement	8/27/2012 Surplus (Deficiency)
01-A Revenue	$ 39,442	$ 39,442	$ -
01-A Reserve	134,282	144,910	(10,628)
02 Revenue	271,600	271,600	-
02 Reserve	1,422,065	1,458,657	(36,592)
04-A Revenue	102,447	103,214	(767)
04-A Reserve	141,949	151,380	(9,431)
92 Revenue	1,270,000	1,270,000	-
92 Reserve	263,427	348,980	(85,553)
Total	$ 3,645,212	$ 3,788,183	$ (142,971)

The Clarksburg Water Board, the General Manager, the Director of Finance and staff are determined to take all measures necessary to become compliant with all requirements of the ordinances.

Contacting the CWB's Financial Management Representative:

This financial report is designed to provide our citizens, water customers, investors, and creditors with a general overview of the CWB's finances and to demonstrate the CWB's accountability for the revenues, bond proceeds, and other funds it receives. Any questions regarding the content of this financial analysis statement should be directed to the Director of Finance, Clarksburg Water Board, 1001 South Chestnut Street, Clarksburg, WV 26301.

WATER BOARD OF THE CITY OF CLARKSBURG
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2012 and 2011

	2012	2011
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 633,866	$ 118,520
Investments - Manulife & Prudential	118,593	165,803
Receivables, Net of Allowance:		
Trade (Net of Allowance for Doubtful Accounts of $101,557 in 2012 and $100,181 in 2011)	1,307,503	1,254,174
Other (Net of Allowance for Doubtful Accounts of $2,000 in 2012 and $1,777 in 2011)	16,159	69,691
Inventory	205,436	133,993
Prepaid Expenses	33,870	38,792
Total Current Assets	2,315,427	1,780,973
Restiricted Assets		
Cash & Temporary Investments	298,965	294,332
State Sinking Fund	3,259,439	2,909,405
Total Restricted Assets	3,558,404	3,203,737
Capital Assets		
Land and Land Rights	249,951	249,951
Non-Utility Property	35,136	35,136
Reservoirs	5,389,846	5,389,846
Structures and Improvements	16,928,977	16,928,977
Transmission and Distribution Mains	15,156,008	15,106,427
Equipment	6,579,153	6,626,725
Less: Accumulated Depreciation	(15,719,715)	(15,095,367)
Total Capital Assets (Net of Accumulated Depreciation)	28,619,356	29,241,695
Other Assets		
Unamortized Bond Discount and Issue Costs	851,723	954,570
Preliminary Survey and Investigation Costs	87,994	87,994
Rate Case	11,536	11,536
Total Other Assets	951,253	1,054,100
TOTAL ASSETS	$ 35,444,440	$ 35,280,505
LIABILITIES AND NET ASSETS		
Liabilities		
Current Liabilities (Payable from Current Assets)		
Accounts Payable and Other Accrued Liabilities	$ 820,464	$ 785,663
Other Post Employment Benefits	947,675	652,307
Refund Payable	2,479	2,610
Total Current Liablities (Payable from Current Assets)	1,770,618	1,440,581
Current Liabilities (Payable from Restricted Assets)		
The accomp Current Portion of Note Payable to City of Clarksburg	60,000	60,000
Current Portion of Bonds Payable	541,328	558,702
Accrued Bond Interest Payable	970,415	779,282
Customer Deposits	120,155	102,138
Construction Deposits	4,656	4,656
Total Current Liabilities (Payable from Restricted Assets)	1,696,554	1,504,778
Long-Term Liabilities (Net of Current Portion)		
Compensated Absences	221,167	239,079
Note Payable to City of Clarksburg	257,806	317,806
Accrued Capital Appreciation Bond Interest (Payable from Restricted Assets)	157,862	1,057,889
Bonds Payable (Payable from Restricted Assets)	13,017,266	13,558,593
Total Long-Term Liabilities (Net of Current Portion)	13,654,101	15,173,367
Non Current Liabilities		
Unamortized Bond Premium	128,860	144,479
Total Liabilities	17,250,133	18,263,205
Net Assets		
Invested in Capital Assets, Net of Related Debt	13,614,679	12,909,423
Restricted	3,558,404	3,096,943
Unrestricted	1,021,224	1,010,934
Total Net Assets	18,194,307	17,017,300
TOTAL LIABILITIES AND NET ASSETS	$ 35,444,440	$ 35,280,505

The accompanying notes are an integral part of the basic financial statements.

WATER BOARD OF THE CITY OF CLARKSBURG
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEARS ENDING JUNE 30, 2012 and 2011

	2012	2011
Operating Revenues:		
Water Sales	$ 7,158,900	$ 6,837,603
Billing and Collections	109,333	75,929
Fire Protection	216,813	216,866
Other Income	132,120	174,792
Rental Income	20,015	16,500
Gain on Disposal of Assets	1,000	6,036
Total Operating Revenue	7,638,181	$ 7,327,726
Operating Expenses:		
Treatment Expenses	1,598,286	1,735,096
Distribution Expenses	1,318,042	1,273,876
Engineering Expenses	238,859	224,692
Customer Accounting and Collection	572,036	487,994
General and Administrative	1,081,057	1,135,854
Depreciation	705,413	634,083
Total Operating Expenses	5,513,693	5,491,595
Operating Income/(Loss)	2,124,488	1,836,131
Non-Operating Revenues (Expenses):		
Change in the Fair Value of Investments	(47,210)	(29,423)
Interest and Dividends	16,859	18,462
Interest and Fiscal Charges	(834,420)	(727,693)
Amortization of Bond Discount and Issue Costs	(102,847)	(102,847)
Amortization of Bond Premium	15,620	15,620
Nonoperating Miscellaneous	4,517	4,547
Total Non-Operating Revenues (Expenses)	(947,481)	(821,334)
Change in Net Assets	$ 1,177,007	$ 1,014,797
Net Assets, Beginning of Year	17,017,300	16,002,503
Net Assets, End of Year	$ 18,194,307	$ 17,017,300

The accompanying notes are an integral part of the basic financial statements.

WATER BOARD OF THE CITY OF CLARKSBURG
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2012 and 2011

	2012	2011
Cash Flows from Operating Activities:		
Receipts from customers	$ 7,322,384	$ 7,047,575
Receipts from other sources	315,000	177,302
Payments to suppliers	(2,317,384)	(2,587,094)
Payments to employees	(1,842,672)	(1,860,078)
Payments for taxes, other than income tax	(384,707)	(353,857)
Net cash provided (used) in operating activities	3,092,622	2,423,848
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of property and equipment	(83,074)	(18,285)
Decrease (increase) in preliminary survey costs	-	(3,220)
Cost of Rate Case	-	(11,537)
Principal paid on bonds	(558,702)	(581,282)
Interest paid on bonds and notes payable	(1,543,313)	(1,520,823)
Payments on notes payable	(60,000)	(60,000)
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,245,089)	(2,195,147)
Cash Flows from Investing Activities:		
Decrease (Increase) in Restricted Assets	(354,667)	(767,291)
Interest Income	16,859	18,462
Proceeds from Sale of Equipment	1,000	6,036
Miscellaneous	4,621	4,547
Contributions in Aid of Construction	-	4,565
Net Cash Provided (Used) by Investing Activities	(332,187)	(733,681)
Net Increase (Decrease) in Cash and Cash Equivalents	515,346	(504,980)
Cash and Cash Equivalents at Beginning of Year	118,520	623,500
Cash and Cash Equivalents at End of Year	$ 633,866	$ 118,520
Adjustments to Reconcile Operating Income to Cash Flows from Operating Activities:		
Operating Income (Loss)	$ 2,124,488	$ 1,836,131
Depreciation	705,413	634,083
(Increase) decrease in:		
Accounts receivable - trade	(53,329)	(38,288)
The accomp Accounts receivable - other	53,532	(46,204)
Inventory	(71,443)	(17,884)
Prepaid expenses	4,923	2,915
Increase (decrease) in:		
Accounts payable and accrued expenses	330,169	51,865
Construction Deposits	-	4,656
Refund Payable	(131)	2,610
(Gain) Loss on Disposal of Assets	(1,000)	(6,036)
Net cash provided by (used in) operating activities	$ 3,092,622	$ 2,423,848

The accompanying notes are an integral part of the basic financial statements.

1. Summary of Significant Accounting Policies

The Water Board of the City of Clarksburg (the Board), was established in 1909 by act of legislature and is provided for by the Charter for the City of Clarksburg (the "City") and the Official West Virginia Code of 1931, as amended. The Board consists of three elected members and, as authorized by the City Charter, manages and maintains the City's water purification and distribution systems independent of control by the Council of the City and the City Manager.

The accounting policies of the Board conform to generally accepted accounting principles applicable to governmental units. The Board complies with accounting principles generally accepted in the United States of America and applies all relevant Government Accounting Standards Board (GASB) pronouncements. In addition, the Board applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

A. Financial Reporting Entity

The Board complies with GASB Statement No. 14, *"The Financial Reporting Entity."* This statement establishes standards for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Board considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include in the Board's financial statements.

B. Basis of Presentation

The Board's fund is an enterprise fund. Enterprise funds are proprietary funds used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe *which* transactions are recorded within the various financial statements. Basis of accounting refers to *when* transactions are recorded regardless of the measurement focus applied.

The proprietary funds utilize an *"economic resources"* measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

1. **Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus and Basis of Accounting (Continued)

All Proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Board's enterprise fund is charges to customers for water sales and service. The Board also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Cash Equivalents

Cash on hand and deposits with banking institutions either in checking, savings, or money market accounts are presented as cash in the accompanying financial statements. Such deposits at June 30, 2012 and 2011 were entirely covered by federal depository insurance or secured by adequate bond or other securities held by the banking institution in the Board's name. The carrying amount of cash accounts at June 30, 2012 was $633,866, while the bank balance was $664,437. The carrying amount of cash accounts at June 30, 2011 was $118,520, while the bank balance was $300,552.

Investments and restricted assets are stated at cost, which approximates market.

E. Restricted Cash Investments

These accounts represent amounts that are restricted in their use. The Debt Service and Debt Reserve Funds are requirements of the bond indentures.

F. Accounts Receivable - Customers

The Board uses the allowance method of recognizing bad debts and a provision of $101,557 and $100,181 has been established for uncollectible accounts at June 30, 2012 and June 30, 2011, respectively.

G. Inventory

Inventory values are determined on the average cost method and are stated at the lower of cost or market.

H. Capital Assets

Capital assets are recorded at cost which includes labor, materials, services and interest on funds used during construction and other indirect costs. Depreciation of all exhaustible capital assets used by the Board is charged as an expense against operations and accumulated depreciation is reported on the Board's balance sheet. Depreciation has been provided for over the estimated useful lives using the straight-line method at rates of 1½ to 20% per year.

1. **Summary of Significant Accounting Policies (Continued)**

I. Preliminary Survey and Investigation Cost

Preliminary survey and investigation costs represent expenditures for preliminary surveys, plans and investigation for determining the feasibility of contemplated projects. When project construction is completed, these costs will be capitalized as part of capital assets, or if the project is rejected, these costs will be charged to expense in the year the project is rejected.

J. Amortization

Debt discount and expense on bonds is amortized on the straight-line method from the date of issuance to the date of maturity.

K. Customer Deposits

Customer deposits are refunded after bills for services have been paid for twelve consecutive months.

L. Concentration of Credit Risk

Water Board of the City of Clarksburg is a utility providing water services to residential, commercial, and governmental entities in Harrison County, West Virginia. The Board grants credit to all of its customers on a monthly basis.

M. Equity Classifications

Equity is classified as net assets and displayed in three components:

a. Invested in capital assets, net of related debt - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets

b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation

c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

N. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Board's deposits may not be returned to it. It is the Board's policy for deposits to be 100% secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation Insurance.

The Board's deposits are categorized to give an indication of the level of risk assumed by the Board at June 30, 2012 and 2011. The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3 - Uncollateralized.

June 30, 2012

Non-Pooled Deposits	Bank Balance	Category 1	Category 2	Category 3	Carrying Amount
Checking and Money Market	$ 664,437	$ 250,000	$ 414,437	$ -	$ 632,607

June 30, 2011

Non-Pooled Deposits	Bank Balance	Category 1	Category 2	Category 3	Carrying Amount
Checking and Money Market	$ 300,552	$ 250,000	$ 50,552	$ -	$ 117,261

Additionally, the cash on hand of $1,259 at June 30, 2012 and June 30, 2011 was included in cash on the statement of net assets.

3. Investments

The December 17, 1992 and July 11, 2002, bond ordinances authorize the Board to invest all bond proceeds in obligations of the United States and certain of its agencies, certificates of deposit, public housing bonds, direct and general obligations of states which are rated in the highest categories by Standard and Poor's Corporation and Moody's Investors Service, and repurchase agreements relating to certain securities. Sinking fund investments are managed by the West Virginia Municipal Bond Commission.

Investments made by the Board are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the three categories described on the next page at June 30, 2012 and 2011:

Category 1 -Insured or registered, or securities held by the Board or its agent in the Board's name.

Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Board's name.

Category 3 - Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Board's name.

June 30, 2012

	Category 1	Category 2	Category 3	Carrying Amount	Market Value
Other temporary cash Investments	$ 298,965	$ -	$ -	$ 298,965	$ 298,965
Investments in Municipal Bond Commission	3,259,439	-	-	3,259,439	3,259,439
Other investments - Manulife and Prudential Stock	118,593	-	-	118,593	118,593
Total investments	$ 3,676,997	$ -	$ -	$ 3,676,997	$ 3,676,997

June 30, 2011

	Category 1	Category 2	Category 3	Carrying Amount	Market Value
Other temporary cash Investments	$ 294,332	$ -	$ -	$ 294,332	$ 294,332
Investments in Municipal Bond Commission	2,909,405	-	-	2,909,405	2,909,405
Other investments - Manulife and Prudential Stock	165,803	-	-	165,803	165,803
Total investments	$ 3,369,540	$ -	$ -	$ 3,369,540	$ 3,369,540

3. Investments (Continued)

Interest Rate Risk: The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: The Board is authorized to provide excess funds to either the State Investment Pool or the Municipal Bond Commission for investment purposes, or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit and repurchase agreements. The Board has no investment policy that would further limit its investment choices.

Concentration of Credit Risk: The Board places no limit on the amount the Board may invest in anyone issuer. 100% of the Board's investments are in Investment in the State investment pool.

As of February 1, 2000 the Board was granted shares in John Hancock Financial Services, Inc. (JHF) as compensation for surrendering membership rights in John Hancock Mutual Life Insurance Company. Then on December 18, 2001, the Board was granted shares in Prudential Financial, Inc. as compensation for surrendering membership rights in Prudential Financial. Furthermore, on September 28, 2003 a merger between John Hancock and Manulife Financial Corporation was approved. Therefore the shares of John Hancock Financial were converted to Manulife Financial (MLF).

4. Capital Assets

Capital assets activity for the years ended June 30, 2012 and 2011 was as follows:

June 30, 2012

	Balance at 7/1/2011	Additions	Deletions	Balance at 6/30/2012
Capital assets, not being depreciated:				
Land and land rights	$ 249,951	$ -	$ -	$ 249,951
Non-utility property	35,136	-	-	35,136
Total capital assets, not being depreciated	285,087	-	-	285,087
Capital assets being depreciated:				
Reservoirs	5,389,846	-	-	5,389,846
Structures and improvements	16,928,977	-	-	16,928,977
Transmission and distribution mains	15,106,427	49,581	-	15,156,008
Equipment	6,626,725	33,493	81,065	6,579,153
Total capital assets, being depreciated	44,051,975	83,074	81,065	44,053,984
Less: Accumulated Depreciation:				
Reserviors	(347,005)	(80,847)	-	(427,852)
Structures and improvements	(6,263,839)	(253,935)	-	(6,517,774)
Transmission and distribution mains	(7,177,989)	(227,127)	-	(7,405,116)
Equipment	(1,306,534)	(143,504)	(81,065)	(1,368,973)
Less accumulated depreciation	(15,095,367)	(705,413)	(81,065)	(15,719,715)
Total capital assets being depreciated, net	28,956,608	(622,339)	-	28,334,269
Total capital assets, net	$ 29,241,695	$ (622,339)	$ -	$ 28,619,356

4. Capital Assets (Continued)

June 30, 2011

	Balance at 7/1/2010	Additions	Deletions	Balance at 6/30/2011
Capital assets, not being depreciated:				
Land and land rights	$ 249,951	$ -	$ -	$ 249,951
Non-utility property	35,136	-	-	35,136
Total capital assets, not being depreciated	285,087	-	-	285,087
Capital assets being depreciated:				
Reservoirs	5,389,846	-	-	5,389,846
Structures and improvements	16,925,098	3,879	-	16,928,977
Transmission and distribution mains	15,098,110	8,317	-	15,106,427
Equipment	6,638,568	6,089	17,932	6,626,725
Total capital assets, being depreciated	44,051,622	18,285	17,932	44,051,975
Less: Accumulated Depreciation:				
Reserviors	(333,279)	(13,726)	-	(347,005)
Structures and improvements	(6,016,808)	(247,031)	-	(6,263,839)
Transmission and distribution mains	(6,951,588)	(226,401)	-	(7,177,989)
Equipment	(1,177,540)	(146,925)	(17,932)	(1,306,534)
Less accumulated depreciation	(14,479,215)	(634,083)	(17,932)	(15,095,367)
Total capital assets being depreciated, net	29,572,407	(615,798)	-	28,956,608
Total capital assets, net	$ 29,857,494	$ (615,798)	$ -	$ 29,241,695

5. Long Term Debt

The following is a summary of bonds payable at June 30, 2012 and 2011:

June 30, 2012

	Issue Date	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due After One Year
a. Waterworks Improvements Refunding Revenue Bonds Series 1992	1993	$ 705,282	$ -	$ 364,426	$ 340,856	$ 340,856	$ -
b. Water Revenue Bonds - Series 2001A	2001	1,398,571	-	117,819	1,280,752	120,193	1,160,559
c. Water Refunding Revenue Bonds - Series 2002	2002	10,515,000	-	-	10,515,000	-	10,515,000
d. Water Revenue Bonds - Series 2004A	2004	1,498,442	-	76,456	1,421,986	80,279	1,341,707
Total long-term debt		$ 14,117,295	$ -	$ 558,701	$ 13,558,594	$ 541,328	$ 13,017,266

June 30, 2011

	Issue Date	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due After One Year
a. Waterworks Improvements Refunding Revenue Bonds Series 1992	1993	$ 1,098,258	$ -	$ 392,976	$ 705,282	$ 364,427	$ 340,855
b. Water Revenue Bonds - Series 2001A	2001	1,514,061	-	115,490	1,398,571	117,819	$ 1,280,752
c. Water Refunding Revenue Bonds - Series 2002	2002	10,515,000	-	-	10,515,000	-	$ 10,515,000
d. Water Revenue Bonds - Series 2004A	2004	1,571,258	-	72,816	1,498,442	76,456	$ 1,421,986
Total long-term debt		$ 14,698,577	$ -	$ 581,282	$ 14,117,295	$ 558,702	$ 13,558,593

5. Long Term Debt (Continued)

Waterworks Improvement and Refunding Revenue Bonds -Series 1992

During the year ended June 30,1993, the City of Clarksburg issued $25,500,405 of Waterworks Improvement and Refunding Revenue Bonds, Series 1992 to: (i) refund the City's Waterworks Improvement and Refunding Revenue Bonds, Series 1985 and Waterworks Revenue Bonds, Series 1986, (ii) fund a reserve account for the Series 1992 Bonds, (iii) pay certain costs of issuance, and (iv) pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements for the City's existing waterworks system. The Bonds are special obligations of the City and are secured by the revenues of the waterworks system, moneys in the sinking and depreciation funds, and unexpended proceeds of the Bonds.

Interest on $23,530,000 of current interest bonds is payable on each March 1 and September 1 at rates ranging from 3.25% to 6.25%. Interest on $1,970,405 of capital appreciation bonds is compounded on each March 1 and September 1 at rates ranging from 6.70% to 6.80% and is payable at maturity. The aggregate maturity amount of the capital appreciation bonds, or $6,350,000, is due in amounts of $1,270,000 annually from September 1, 2010 through 2012. The current interest bonds are subject to redemption prior to maturity.

On July 25, 2002, the City of Clarksburg issued $16,260,000 of Water Refunding Revenue Bonds, Series 2002 with interest rates ranging between 1.6% and 5.25%. The Bonds were issued by the City of Clarksburg to provide funds (i) to refund a portion of the Issuer's Waterworks Improvement and Refunding Revenue Bonds, Series 1992, consisting of the Current Interest Bonds in the principal amount of $17,375,000 and (ii) to pay costs of issuing the Bonds.

The advance refunding reduced the total debt service payments over the next 20 years by $2,071,816. This resulted in an economic gain (difference between the present values of the debt service payments on the old and the new debt) of $1,305,150.

The payment of the principal of and interest on the bonds is insured under the terms of a financial guaranty insurance policy by Asset Guaranty Reinsurance Company.

The principal balance at June 30, 2012 was $340,856 and $705,282 as of June 30, 2011.

Future maturities of bond principal and interest on Board indebtedness at June 30, 2012 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2013	$ 340,856	$ 929,145	$ 1,270,001
Total	$ 340,856	$ 929,145	$ 1,270,001

5. **Long Term Debt (Continued)**

Water Revenue Bonds – Series 2001A

During the years ended June 30, 2002 and 2001 the City of Clarksburg issued $2,383,850 of Water Revenue Bonds Series 2001A. These bonds are for 20 years and have a stated interest rate of 2% and 1 % administrative fee payable quarterly, payments starting June 1, 2002. These bonds were issued to (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer; and (ii) to pay certain costs of issuance of the Bonds of this Series and related costs.

Principal balance was $1,280,752 at June 30, 2012 and $1,398,571 at June 30, 2011.

These bonds are payable only from and secured by a pledge of the Gross Revenues to be derived from the operation of the system.

Future maturities of bond principal and interest on this indebtedness at June 30, 2012 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2013	$ 120,193	$ 24,718	$ 144,911
2014	122,615	22,295	144,910
2015	125,086	19,825	144,911
2016	127,606	17,304	144,910
2017-2021	677,648	46,899	724,547
2022	107,604	1,078	108,682
Total	$ 1,280,752	$ 132,119	$ 1,412,871

Water Refunding Revenue Bonds – Series 2002

On July 25, 2002, the City of Clarksburg issued $16,260,000 of Water Refunding Revenue Bonds, Series 2002. The Bonds are being issued by the City of Clarksburg to provide funds (i) to refund a portion of the Issuer's Waterworks Improvement and Refunding Revenue Bonds, Series 1992, consisting of the Current Interest Bonds in the principal amount of $17,375,000 and (ii) to pay costs of issuing the Bonds.

These bonds are payable solely from and secured by the Gross Revenues of the waterworks system and moneys held in certain sinking funds by the West Virginia Municipal Bond Commission.

Interest on $7,025,000 of Serial Bonds is payable on each March 1 and September 1 at rates ranging from 1.60% to 4.25% through 09/01/13. Interest on $9,235,000 of Term Bonds is payable on each March 1 and September 1 at 5.25% through 09/01/19. These Bonds are subject to redemption prior to maturity.

5. **Long Term Debt (Continued)**

Water Refunding Revenue Bonds – Series 2002 (Continued)

The principal balance was $10,515,000 at June 30, 2012 and $10,515,000 at June 30, 2011

The payment of the principal and interest on these bonds is insured under the terms of a financial guaranty insurance policy issued by Financial Guaranty Insurance Company

Future maturities of bond principal and interest on Board indebtedness at June 30, 2012 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2013	$ -	$ 537,638	$ 537,638
2014	1,280,000	511,237	1,791,237
2015	1,345,000	449,531	1,794,531
2016	1,415,000	377,081	1,792,081
2017-2020	6,475,000	701,794	7,176,794
Total	$ 10,515,000	$ 2,577,281	$ 13,092,281

Water Revenue Bonds – Series 2004A

During the year ended June 30, 2005 the City of Clarksburg issued $1,885,764 of Water Revenue Bonds Series 2004A. These bonds are for 20 years and have a stated interest rate of 5%. Principal will be paid annually beginning October 1, 2005 and semi-annual interest payments began on October 1, 2004. These bonds were issued to (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer; and (ii) to pay certain costs of issuance of the Bonds of this Series and related costs.

Principal balance was $1,421,986 at June 30, 2012 and $1,498,442 at June 30, 2011.

These bonds are payable only from and secured by a pledge of the Gross Revenues to be derived from the operation of the system.

Future maturities of bond principal and interest on this indebtedness at June 30, 2012 are as follows on the following page:

5. Long Term Debt (Continued)

Water Revenue Bonds – Series 2004A (Continued)

Fiscal Year Ending	Principal	Interest	Total
2013	$ 80,279	$ 69,092	$ 149,371
2014	84,293	64,978	149,271
2015	88,508	60,658	149,166
2016	92,933	56,122	149,055
2017-2021	539,191	204,222	743,413
2022-2025	536,782	55,314	592,096
Total	$ 1,421,986	$ 510,386	$ 1,932,372

The Debt Service Coverage Factor has been calculated as follows for the years ended June 30, 2012 and 2011:

	2012	2011
Operating revenues	$ 7,638,181	$ 7,327,726
Operating expenses	5,513,693	5,491,595
Operating income	2,124,488	1,836,131
Add: Depreciation Expense	705,413	634,083
Interest and dividend income - allowed	16,859	18,462
Amounts available for debt service and capital expenditures	$ 2,846,760	$ 2,488,676
Maximum annual debt service	$ 2,102,430	$ 2,102,430
Calculated debt service coverage factor	1.35	1.18
Required debt service coverage factor	1.20	1.20

Based on this calculation, it appears that the Board was in compliance with the provisions set forth in the Bond Ordinance for the Waterworks Improvement and Refunding Revenue Bonds, Series 1992, Water Revenue Bond -Series 2001A, Water Refunding Revenue Bonds - Series 2002 and Water Revenue Bond -Series 2004A, as of June 30, 2012.

6. Note Payable to the City of Clarksburg

The note payable to the City of Clarksburg represents funds borrowed from the City of Clarksburg to aid in construction of the extension project required for the new FBI facility. The note does not bear interest and the maximum borrowing limit under the note is $1,200,000. The Water Board shall not be obligated to pay sums except from "surplus revenues" which may or may not be available in future years beginning January 1, 1999 at $5,000 per month. Future repayments are scheduled as follows:

City of Clarksburg - Notes Payable

2013	$ 60,000
2014	60,000
2015	60,000
2016	60,000
2017	60,000
2018	17,806
Total	$ 317,806

7. Rental Income

The Board leases an office situated at 432 West Main Street under an operating lease. The lease terms are $1,500 per month beginning April 2010 and ending March 2015. The following is a schedule of future minimum rental income under this lease as of June 30, 2012:

Rental Income

2013	18,000
2014	18,000
2015	12,000
Total	$ 48,000

8. Employee Retirement System

The Water Board of the City of Clarksburg elected to become a participating public employer under the West Virginia Public Employees' Retirement System for the coverage of all eligible employees. The plan is funded through employer contributions of 14.5% of payroll and member contributions of 4.5% of payroll.

The Water Board of the City of Clarksburg's contribution to the West Virginia Public Employees Retirement System for the years ended June 30, 2012 and 2011 was:

June 30, 2012

Percentage of Payroll	Total Wages	Covered Wages	Amount
Employer Share - 14.5%	$ 1,811,934	$ 1,694,304	$ 245,674
Employee Share - 4.5%	$ 1,811,934	$ 1,694,304	$ 76,244
Total contribution			$ 321,918

June 30, 2011

Percentage of Payroll	Total Wages	Covered Wages	Amount
Employer Share - 12.5%	$ 1,817,345	$ 1,697,876	$ 212,235
Employee Share - 4.5%	1,817,345	1,697,876	$ 76,404
Total contribution			$ 288,639

8. Employee Retirement System (Continued)

The following is a summary of eligibility factors, contributions methods, and benefits provisions:

	Public Employees' Retirement System (PERS)
Eligibility to participate	All Board full-time employees, except those covered by other pension plans
Authority establishing contributions obligations and benefits provision	State Statue
Plan member's contribution rate	4.50%
Boards contribution rate	14.5%
Period required to vest	Five years
Benefit and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contribution service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 10) times the years of service times 2% equals the annual retirement benefit.
Deferred retirement portion	No
Provision for:	
Cost of living	No
Death benefits	Yes

PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees Retirement System, 4101 MacCorkle Avenue, SE, Charleston, WV 25304-1636.

9. Retiree Health Plan (RHP)

Plan Description

The Water Board of the City of Clarksburg, West Virginia contributes to the West Virginia Retiree Health Benefits Trust Fund (RHBT), a cost-sharing, multiple-employer defined benefit post-employment health care plan administered by the West Virginia Public Employees Insurance Agency (PEIA). RHBT provides medical benefits to eligible retired employees of participating employers. Eligibility is primarily established through participation in certain defined benefit plans. RHBT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: West Virginia Retiree Health Benefits Trust, 4101 MacCorkle Avenue, SE, Charleston, WV 25304-1636.

9. Retiree Health Plan (RHP) (Continued)

Authority Established the Plan and Fund Policy:

Chapter 5, Article 16D of the West Virginia State Code assigns the authority to establish and amend benefits and provisions to the RHBT. Plan members are currently required to contribute $167.00 per month per active health policy. Participating employers are contractually required to contribute at a rate assessed each year by RHBT. The RHBT board sets the employer contribution rate based on the annual required contributions of the plan (ARC), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

Annual requried contributions	$ 295,368
Adjustment to annual required contribution	-
Annual OPEB cost	295,368
Contributions made	-
Increase (decrease) in net OPEB obligation	295,368
Net OPEB obligation (asset) beginning of year	652,307
Net OPEB obligation (asset) end of year	$ 947,675

Four-Year Trend Information

The Board contributed the following amounts:

Year Ending Obligation (Asset)	Annual OPEB Cost	Percentage of AOC	Net OPEB
June 30, 2012	$ 295,368	0%	$ 947,675
June 30, 2011	307,188	0%	652,307
June 30, 2010	333,596	0%	345,119
June 30, 2009	93,908	88%	11,523

10. Related Party Transactions

Sanitary Board of the City of Clarksburg

The Board provides billing and collection services for the Sanitary Board of the City of Clarksburg. The following transactions as shown on the following page took place with the Sanitary Board for the years ended June 30, 2012 and 2011:

10. Related Party Transactions (Continued)

Sanitary Board of the City of Clarksburg (Continued)

	2012	2011
Fees for collection and administrative services	$ 100,000	$ 75,929
Collection and remittances on Sanitary Board trade receivables	$ 3,071,392	$ 2,731,670

City of Clarksburg

The Board provides collection services for the utility taxes for the City of Clarksburg. The following transactions took place with the City of Clarksburg for utility taxes for the years ended June 30, 2012 and 2011:

	2012	2011
Collections and remittances on the Utility Tax trade receivables	$ 111,358	$ 100,161

11. Credit Concentration

The Board's revenues are generated from the provision of water utility services to the residents of Clarksburg, West Virginia, as well as the residents of the rural areas of Harrison County, West Virginia, surrounding that city. The ultimate collection of the accounts receivable resulting from the Board's revenues is dependent upon the residents' income and payment ability.

12. Risk Management

The Board is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injury to employees and natural disasters. Any significant risk of loss is covered by commercial insurance. There were no significant changes in insurance coverage and no settlements that exceeded insurance coverage for each of the past three years.

13. Contingencies

Amounts grantor agencies pay to the Board are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

14. Subsequent Events

The Board has evaluated events subsequent to the date of the financial statements through the date of this report. No events have occurred subsequent to the date of the financial statements through the date of this report that would require adjustment or additional disclosure in the financial statements.

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INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

December 14, 2012

Water Board of the City of Clarksburg
1001 S. Chestnut Street
Clarksburg, WV 26301

To the Board:

We have audited the financial statements of the business-type activities of the **Water Board of the City of Clarksburg**, Harrison County, West Virginia, (the Board), as of and for the years ended June 30, 2012 and June 30, 2011, which collectively comprise the Board's basic financial statements and have issued our report thereon dated December 14, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards.*

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not to opine on the effectiveness of the Board's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Board's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Board's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Board's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of audit findings as item 2012-001.

The Board's response to the finding identified in our audit is described in the accompanying schedule of audit findings. We did not audit the Board's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of management, the Board of Directors of the Water Board of the City of Clarksburg, grantors, and others within the Board. We intend it for no one other than these specified parties.

Respectfully Submitted,

Perry & Associates
Certified Public Accountants, A.C.

WATER BOARD OF THE CITY OF CLARKSBURG
CLARKSBURG, WEST VIRGINIA

SCHEDULE OF AUDIT FINDINGS
JUNE 30, 2012 and 2011

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

FINDING NUMBER 2012-001

Noncompliance

Covenants with Bond Holders – West Virginia Code 8-20-8 (Section 4.03 of the Bond Ordinance)

The Board failed to meet the bond ordinance in providing the monthly required sinking fund deposits.

Section 4.03 of the Bond Ordinance requires that:

> C. 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 4.03 and Gross Revenues shall be applied to such deficiencies before being applies to any other payments hereunder.

The Board is not in compliance with the Bond Ordinance due to the management not having proper procedures in place to make the required sinking fund deposits.

We recommend the Board take the necessary managerial steps to ensure that the Board becomes in compliance with the Board Ordinance.

Management's Response – Additional funds have been deposited each month along with the required Bond Payment amount. As of November 2012 the full amount of the deficiency had been eliminated. Regular Bond Payments continue to be made in a timely manner in order to stay compliant with the Bond Ordinance

WATER BOARD OF THE CITY OF CLARKSBURG
CLARKSBURG, WEST VIRGINIA

SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2011 and 2012

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; ***Explain***
2011-001	Covenants with Bond Holders Section 6.04 of the Bond Ordinance – Not meeting the 120% requirement	Yes	N/A
2011-002	Covenants with Bond Holders Section 4.03 of the Bond Ordinance – Not depositing monthly required sinking fund deposits	No	Repeated as Finding 2012-001

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

April 26, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

City of Clarksburg
Clarksburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by the City of Clarksburg, West Virginia (the "Issuer") of its $9,220,000 aggregate principal amount of Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Series 2013 A Bonds").

The Series 2013 A Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 19 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on March 7, 2013, as supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on March 21, 2013 (collectively, the "Ordinance"), and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Ordinance when used herein.

The Series 2013 A Bonds are issued in fully registered form, are dated April 26, 2013, upon original issuance, mature on September 1 in the years and amounts and bear interest payable each March 1 and September 1, commencing September 1, 2013, as set forth in the Ordinance.

The Series 2013 A Bonds are not subject to redemption prior to maturity.

The Ordinance provides that the Series 2013 A Bonds are issued for the purpose of currently refunding the Issuer's Water Refunding Revenue Bonds, Series 2002 (the "Series 2002 Bonds"), funding a debt service reserve account for the Series 2013 A Bonds and paying costs of issuance of the Series 2013 A Bonds and related costs.

The Series 2013 A Bonds have been sold to Crews & Associates, Inc. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement dated April 9, 2013, and accepted by the Issuer (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Original Purchaser and other entities contained in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants and representations of the Issuer and others set forth in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and such certifications, we are of the opinion, under existing law and as of the date hereof, that:

1. The Issuer is a duly organized and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to adopt and enact the Ordinance, enter into the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and Tax Certificate, perform its obligations under the terms and provisions thereof and to issue and sell the Series 2013 A Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted and enacted the Ordinance, has authorized, executed and delivered the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate, has authorized the distribution of the Official Statement in connection with the marketing and sale of the Series 2013 A Bonds, and has issued and delivered the Series 2013 A Bonds to the Original Purchaser pursuant to the Bond Purchase Agreement. The Ordinance is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms.

4. The Series 2013 A Bonds have been duly authorized, executed and delivered by the Issuer and, assuming proper authentication, constitute valid and legally enforceable limited obligations of the Issuer, payable solely from, and secured by a lien on, the Gross Revenues of the System, on a parity with the Issuer's outstanding: (1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original

aggregate principal amount of $2,383,850 (the "Series 2001 A Bonds"); and (2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764 (the "Series 2004 A Bonds"), (collectively, the "Prior Bonds"). The Series 2013 A Bonds are enforceable in accordance with their terms and the terms of the Ordinance, and are entitled to the benefits of the Ordinance and the Act.

5. The Series 2002 Bonds have been paid within the meaning and with the effect expressed in the Ordinance, as supplemented, pursuant to which they were issued, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 2002 Bonds have been satisfied and discharged. In rendering the opinion set forth in this paragraph, we have relied upon the Receipt and Release of the West Virginia Municipal Bond Commission as to the sufficiency of the monies on deposit to provide for the payment of the principal of, interest on, and premium, if any, of the Series 2002 Bonds.

6. Under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Series 2013 A Bonds (including any original issue discount properly allocable to owners of the Bonds) is excludable from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations. It should be noted, however, that for the purpose of computing the alternative minimum tax on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. Ownership of tax-exempt obligations, including the Series 2013 A Bonds, may result in collateral federal income tax consequences to certain taxpayers, including without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. We offer no opinion as to such collateral tax consequences or any other federal tax consequences arising with respect to the Series 2013 A Bonds. Prospective purchasers of the Series 2013 A Bonds should consult their own tax advisors as to such consequences. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder (collectively, the "Code") that must be satisfied subsequent to issuance of the Series 2013 A Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and with all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Series 2013 A Bonds set forth in the Ordinance, the Prepayment Agreement, the Tax Certificate and the certifications of the Issuer and others. Failure to comply with such Code provisions or such certifications, covenants and representations could cause the interest on the Series 2013 A Bonds to be includable in gross income retroactive to the date of issuance of the Series 2013 A Bonds.

7. Under the Act, the Series 2013 A Bonds and the income therefrom are exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

8. The Issuer has designated the Series 2013 A Bonds as "Qualified Tax-Exempt Obligations" for purposes of paragraph (3) of Section 265(b) of the Code and covenanted that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income taxes (excluding, however, obligations described in Section 265(b)(3)(C)(ii) of the Code), including the Bonds, have been or shall be issued by the Issuer or any entities subordinate to it, during the calendar year 2013, all as determined in accordance with the Code. For purposes of this paragraph and for the purposes of applying such Section 265(b)(3) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 265(b)(3) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and all entities benefitting thereby shall be treated as one issuer. Therefore, the Series 2013 A Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

9. The Series 2013 A Bonds are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and the West Virginia Uniform Securities Act, as amended, and it is not necessary, in connection with the public offering and sale of the Series 2013 A Bonds, to register any securities under said Securities Acts.

It is to be understood that the rights of the holders of the Series 2013 A Bonds and the enforceability of the Series 2013 A Bonds, the Ordinance, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, and the liens, pledges, rights or remedies with respect thereto, are subject to and may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally and that their enforcement may also be subject to the application of public policy, general principles of equity and the exercise of judicial discretion in appropriate cases.

We do not express any opinion as to the sufficiency or accuracy of the material, information or financial statements which are set forth in the official statement prepared and used in connection with the offering and sale of the Series 2013 A Bonds.

We have examined the executed and authenticated Series 2013 A Bonds of said issue, and in our opinion, said Series 2013 A Bonds are in proper form and have been duly executed and authenticated.

Very truly yours,

STEPTOE & JOHNSON PLLC

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is by and among the City of Clarksburg (the "Issuer"), the Clarksburg Water Board (the "Board") and WesBanco Bank, Inc. (the "Dissemination Agent"), in connection with the issuance of $_____ City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Bonds"). The Bonds are being issued pursuant to the Ordinance adopted by the City Council of the City on March 7, 2013 (the "Original Ordinance"), as supplemented by a Supplemental Parameters Resolution adopted by the City Council of the City on March 21, 2013 (the "Supplemental Resolution" and together with the Original Ordinance as conformed, the "Ordinance"). The Issuer, the Board and Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of Agreement. The Agreement is being executed and delivered by the Issuer, the Board and Dissemination Agent for the benefit of the holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with SEC Rule 15c2-l2(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance and the Bond Purchase Agreement dated _____, 2013, which apply to any capitalized term used in the Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" means the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles ("GAAP")) and operating data with respect to the Board, provided at least annually, of the type included in those sections of the final official statement with respect to the Bonds attached thereto as Appendix C, which Annual Financial Information shall include Audited Financial Statements if available on the Report Date, and, if not then available, unaudited financial statements.

"Audited Financial Statements" means the Board's annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

"Beneficial Owner" shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Board" shall mean the Clarksburg Water Board and when appropriate, its Manager.

"Disclosure Representative" shall mean the Mayor, City Manager, Utility Manager or Finance Director of the Issuer and/or the Manager of the Board.

"Dissemination Agent" shall initially mean WesBanco Bank, Inc., or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access System described in the 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of the Agreement.

"National Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule, effective as of July 1, 2009.

"Participating Underwriter" shall mean the original underwriter(s) of the Bonds who are required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each National Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of West Virginia.

SECTION 3. Provision of Annual Reports.

(a) The Issuer and/or the Board shall, or shall cause the Dissemination Agent to, not later than 270 days after the end of the Board's fiscal year (presently June 30) (the "Due Date"), commencing with the report for the Fiscal Year ending June 30, 2013, provide to EMMA Annual Financial Information and Audited Financial Statements, which are consistent with the requirements of Section 4 of the Agreement. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of the Agreement. The Issuer and/or the Board shall provide the Dissemination Agent with a copy of each report filed under the Agreement. If the Issuer's and/or the Board's fiscal year changes, the Issuer and/or the Board shall give notice of such change in the same manner as for a Listed Event under Section 5(a). The Dissemination Agent shall send written notice to the Issuer and the Board thirty days prior to the Due Date of the Annual Financial Information and Audited Financial Statements that such information is due by the Due Date.

(b) Not later than fifteen (15) Business Days prior to the Due Date, the Board shall provide the Annual Financial Information and Audited Financial Statements to the Dissemination Agent. If by the Due Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer and the Board to determine if the Issuer and the Board are in compliance with the first sentence of this subsection (b). If the Dissemination Agent is unable to provide to EMMA the Annual Financial Information and Audited Financial Statements by the date required in subsection (a), the Dissemination Agent shall send a notice to EMMA in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall file a report with the Issuer and the Board certifying that the Annual Financial Information and Audited Financial Statements have been provided to EMMA pursuant to the Agreement and the date provided.

SECTION 4. Content of Annual Financial Information. Within 270 days of the Board's 2013 fiscal year-end, and each subsequent fiscal year, the Dissemination Agent shall submit to EMMA information and data of the Board for the prior fiscal year, including the Audited Financial Statements, prepared in accordance with generally accepted accounting principles in effect from time to time.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement it must be available from the Municipal Securities Rulemaking Board. The Issuer and/or the Board shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer and/or the Board shall give, or cause to be given, notice of the occurrence of any of the following events, if applicable, with respect to the Bonds:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership, or similar event of the Issuer and/or the Board [1];

13. The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action; or the termination of a definitive agreement relating to any such actions, other than pursuant to its term, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Issuer and/or the Board obtains knowledge of the occurrence of a Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws, in any event such determination must be made and submitted to the Dissemination Agent within two (2) business days.

(d) If the Issuer and/or the Board determine(s) that knowledge of the occurrence of any of the Listed Events, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would be material under applicable federal securities laws pursuant to subsection (b) or the Issuer and/or the Board received notice of any Listed Event that does not require a finding of materiality classified under Section 5(a) (1), (3), (4), (5), (6), (9), (11) or (12), the Issuer and/or the Board shall promptly file with the Dissemination Agent a notice of such occurrence to be provided to EMMA.

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would not be material under applicable federal securities laws, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

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[1] For the purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(f) If the Dissemination Agent has been instructed by the Issuer and/or the Board to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with EMMA with a copy to the Issuer and to the Board. The Dissemination Agent must file such notice with EMMA within ten (10) business days of the occurrence of such Listed Event.

SECTION 6. Termination of Reporting Obligation. The Issuer's and the Board's obligations under the Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer and the Board shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Dissemination Agent. WesBanco Bank, Inc., is hereby appointed as Dissemination Agent. The Issuer may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under the Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer and the Board pursuant to the Agreement.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of the Agreement, the Issuer may amend the Agreement, and any provision of the Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of the Agreement, the Board shall describe such amendment in the next Annual Financial Information and Audited Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Board. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for any of the Listed Events under Section 5(a), and (ii) the Annual Financial Information and

Audited Financial Statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in the Agreement shall be deemed to prevent the Issuer and/or the Board from disseminating any other information, using the means of dissemination set forth in the Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events, in addition to that which is required by the Agreement. If the Issuer or the Board chooses to include any information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events in addition to that which is specifically required by the Agreement, the Issuer and/or the Board shall have no obligation under the Agreement to update such information or include it in any future Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events.

SECTION 10. Default. In the event of a failure of the Issuer, the Board or Dissemination Agent to comply with any provision of the Agreement (and, at the request of the Original Purchasers), the Dissemination Agent may or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer, the Board or Dissemination Agent to comply with its obligations under the Agreement. A default under the Agreement shall not be deemed an Event of Default under the Ordinance, and the sole remedy under the Agreement in the event of any failure of the Issuer, the Board or Dissemination Agent to comply with the Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in the Agreement, and the Issuer and the Board agree to the extent allowed by State law to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer and the Board under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Notices. Any notices or communications to or among any of the parties to the Agreement may be given as follows:

To the Issuer:

City of Clarksburg, West Virginia
222 West Main Street
Clarksburg, WV 26301
ATTN: City Manager

To the Dissemination Agent:	WesBanco Bank, Inc. ATTN: Corporate Trust 1 Bank Plaza Wheeling, WV 26003
To the Board:	Clarksburg Water Board 1001 S. Chestnut St. Clarksburg, WV 26301 ATTN: Manager

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 13. Beneficiaries. The Agreement shall inure solely to the benefit of the Issuer, the Board, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. Fees. The Issuer and the Board agree to pay all fees and expenses of the Dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 16. Right to Resign. The Dissemination Agent may resign at any time by providing thirty (30) days' written notice to the Issuer and the Board.

SECTION 17. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under the Agreement and to rely upon an opinion of counsel.

[The remainder of this page intentionally left blank.]

Date: _____, 2013

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

WESBANCO BANK, INC.,
as Dissemination Agent

By: _____
Its: _____

CLARKSBURG WATER BOARD

By: _____
Its: President

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Clarksburg (West Virginia)

Name of Issue: $_____ City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt)

Date of Issuance: _____, 2013

Notice is hereby given that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by its covenant made in connection with the above-referenced bond issue. The Issuer anticipates that the Annual Report will be filed by _____.

Dated this _____.

WESBANCO BANK, INC.,
as Dissemination Agent

By: _____
Its: _____

APPENDIX F

FORM OF ORDINANCE AND SUPPLEMENTAL PARAMETERS RESOLUTION (PROVIDED BY BOND COUNSEL)

CITY OF CLARKSBURG
(WEST VIRGINIA)

WATER REFUNDING REVENUE BONDS, SERIES 2013 A

CONFORMED BOND ORDINANCE

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CITY OF CLARKSBURG
(WEST VIRGINIA)

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the City of Clarksburg (the "Issuer" or the "City") presently owns and operates, through the Clarksburg Water Board (the "Board"), a waterworks system (the "System") and has heretofore financed the acquisition and construction of the System and certain additions, betterments and improvements thereto through the issuance of several series of bonds or refunding bonds, of which there are presently outstanding the Prior Bonds, as hereinafter defined;

WHEREAS, all of the Prior Bonds were issued pursuant to ordinances of the Issuer previously enacted (such ordinances, as so amended and supplemented, collectively herein called the "Prior Ordinances");

WHEREAS, under the provisions of Chapter 8, Article 19 of the Code of West Virginia, 1931, as amended (the "Bond Act"), the Issuer is authorized and empowered to acquire, construct and operate additions, betterments and improvements to the System and issue

revenue bonds to pay all or a portion of the costs thereof, and, under the provisions of Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (the "Refunding Act"), the Issuer is authorized to issue refunding revenue bonds for the purpose of refunding, paying or discharging all or any part of its outstanding revenue bonds, including interest thereon;

WHEREAS, the Issuer has determined and hereby determines that present value debt service savings would result from the Issuer's current refunding and redemption in full of its outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds");

WHEREAS, the Issuer has determined that it is in the best interests of the inhabitants of the City of Clarksburg and other users of the System to currently refund its outstanding Series 2002 Bonds;

WHEREAS, the Issuer has determined that the aforementioned refunding of the Series 2002 Bonds should be financed with the proceeds from the issuance of the Issuer's Water Refunding Revenue Bonds, Series 2013 A, in the original aggregate principal amount of not more than $10,000,000 (the "Series 2013 A Bonds"), such Series 2013 A Bonds to be secured by and payable from the Gross Revenues (as hereinafter defined) of the System on a parity with respect to the pledge of Gross Revenues in favor of the Prior Bonds (as hereinafter defined); and

WHEREAS, the Issuer has determined and hereby determines that it is in the best interests of the residents of the City that its Series 2013 A Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser.

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

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

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

"Act" means collectively, the Bond Act and the Refunding Act as herein defined.

"Authorized Newspaper" means a financial journal or newspaper of general circulation in the City of New York, New York, printed in the English language and customarily published on each business day of the Registrar, whether or not published on Saturdays, Sundays or legal holidays, and so long as so published, shall include The Bond Buyer.

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

"Board" means the Clarksburg Water Board existing under Section 25 of the charter of the City of Clarksburg and having powers and duties as set forth in Section 27 of such charter.

"Bond Act" means Chapter 8, Article 19 of the Code of West Virginia, 1931, as amended and in effect on the date of delivery of the Series 2013 A Bonds.

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on any of the Bonds.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the Issuer and the Original Purchaser relating to the sale and purchase of the Series 2013 A Bonds.

"Bond Register" means the books of the Issuer maintained by the Registrar for the registration and transfer of Bonds.

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

"Bonds" means, collectively, the Series 2013 A Bonds, the Prior Bonds and any additional Parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 2013 A Bonds, substantially in the form set forth in EXHIBIT A - FORM OF SERIES 2013 A BOND, attached hereto.

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

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

"Closing Date" means the date upon which there is an exchange of the Series 2013 A Bonds for the proceeds representing the original purchase price thereof.

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

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

"Continuing Disclosure Agreement" means the agreement delivered by the Issuer to disseminate annual financial information and material event disclosures as required by Rule 15c2-12.

"Costs" or "Costs of the Refunding" or similar terms means all those costs now or hereafter permitted by the Act to be financed with bonds issued pursuant hereto, including, without limitation, those costs described in Section 1.03E.

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

"Debt Service," with reference to a specified period, means the amount of principal, including any sinking fund payments, and interest payable with respect to the Bonds during such period.

"Depository Bank" means the bank or banks to be designated as such in the Supplemental Resolution, and any other bank or national banking association located in the State of West Virginia, eligible under the laws of the State of West Virginia to receive deposits of state and municipal funds and insured by the FDIC that may hereafter be appointed by the Issuer as Depository Bank.

"DTC" means The Depository Trust Company, New York, New York or its successor.

"DTC-eligible Bonds" means, with respect to the Series 2013 A Bonds, meeting the qualifications prescribed by DTC.

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

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

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

"Governing Body" means the Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the Council, as it may now or hereafter be constituted.

"Government Obligations" means certificates or interest-bearing notes or obligations of the United States, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

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

"Independent Accountants" means the West Virginia State Tax Department or any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any purpose except keeping the accounts of said System in the normal operations of its business and affairs.

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

"Issuer" or "City" means the City of Clarksburg, a municipal corporation and political subdivision of the State of West Virginia, in Harrison County thereof, and, unless the context clearly indicates otherwise, includes the Governing Body and any other commission, board or department established by the Issuer to operate and maintain the System, including the Board.

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Bonds for the then current or any succeeding Fiscal Year, assuming that the principal of any Term Bonds is deemed due on the earlier of their stated maturity date or the date on which they are required to be redeemed pursuant to mandatory sinking fund redemption.

"Mayor" means the Mayor of the Issuer.

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

the Series 2013 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from investment of proceeds of the Series 2013 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds of the Series 2013 A Bonds and is not acquired in order to carry out the governmental purpose of the Series 2013 A Bonds.

"Official Statement" means a document or set of documents prepared by an issuer of municipal securities or its representatives setting forth, among other matters, information concerning the Issuer of such municipal securities and the proposed issue of securities that is complete as of the date of delivery of the document or set of documents to the Original Purchaser.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, 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.

"Operation and Maintenance Fund" means the Operation and Maintenance Fund continued pursuant to Section 4.01 hereof.

"Ordinance" regardless of whether preceded by the article "the" or "this," means this Ordinance, as it may hereafter from time to time be amended or supplemented, by ordinance or by resolution.

"Original Purchaser" means the investment banking firm or firms, bank or banks or such other entity or entities as shall purchase the Series 2013 A Bonds directly from the Issuer, as determined by the Supplemental Resolution, and shall initially mean Crews & Associates, Inc., Morgantown, West Virginia.

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

Bondholders or Bonds respectively, for the purpose of consents, notices and the like, any Bond registered to the Issuer. Notwithstanding the foregoing, in the event that a Bond Insurer has paid principal of and/or interest on any Bond, such Bond shall be deemed to be Outstanding until such time as such Bond Insurer has been reimbursed in full.

"Paying Agent" means the Bond Commission and any other paying agent for the Bonds which may be appointed by a resolution supplemental hereto, all in accordance with Section 8.12 hereof.

"Prepayment Agreement" means the agreement to be entered into between the Issuer, the Board and the Bond Commission, providing for the defeasance and ultimate payment of the Series 2002 Bonds and other matters in connection therewith.

"Prior Bonds" means, collectively, the Series 2001 A Bonds and the Series 2004 A Bonds after the defeasance of the Series 2002 Bonds.

"Prior Ordinances" means, collectively, the ordinances of the Issuer, authorizing the issuance of the Prior Bonds and the Series 2002 Bonds.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

"Purchase Price," for the purpose of computation of the Yield of the Series 2013 A Bonds, has the same meaning as the term "issue price" in Sections 1273(b) and 1274 of the Code, and, in general, means the initial offering price of the Series 2013 A Bonds to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds of each maturity is sold or, if the Series 2013 A Bonds are privately placed, the price paid by the first buyer of the Series 2013 A Bonds or the acquisition cost of the first buyer. "Purchase Price," for purposes of computing Yield of Nonpurpose Investments, means the fair market value of the Nonpurpose Investments on the date of use of Gross Proceeds of the Series 2013 A Bonds for acquisition thereof, or if later, on the date that Investment Property constituting a Nonpurpose Investment becomes a Nonpurpose Investment of the Series 2013 A Bonds.

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

(a) Government Obligations;

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

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

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

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

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

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

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

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

"Rebate Fund" means the Rebate Fund described in Section 4.01 hereof.

"Record Date" means the day of the month which shall be so stated in the Series 2013 A Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

"Redemption Date" means the date fixed for redemption of Bonds subject to redemption in any notice of redemption published or mailed in accordance herewith.

"Redemption Price" means the price at which the Bonds may be called for redemption and includes the principal amount of the Bonds to be redeemed, plus the premium, if any, required to be paid to effect such redemption.

"Refunding Act" means Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended and in effect on the date of delivery of the Series 2013 A Bonds.

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

"Registrar" means the bank to be designated in the Supplemental Resolution as the registrar for the Series 2013 A Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1986 as amended.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinances and continued by Section 4.02 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts created for the Series 2013 A Bonds and the Prior Bonds.

"Reserve Account Requirement" means, collectively, the respective amount required to be on deposit in the respective Reserve Accounts for the Series 2013 A Bonds and the Prior Bonds.

"Revenue Fund" means the Revenue Fund established by the Prior Ordinances and continued hereby.

"Rule 15c2-12" means Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

"Series 2001 A Bonds" means the Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850.

"Series 2002 Bonds" means the Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000.

"Series 2002 Ordinance" means the Bond Ordinances authorizing the Series 2002 Bonds.

"Series 2002 Bonds Prepayment Fund" means the Series 2002 Bonds Prepayment Fund established pursuant to the Prepayment Agreement.

"Series 2004 A Bonds" means the Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764.

"Series 2013 A Bonds" means the Water Refunding Revenue Bonds, Series 2013 A, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2013 A Bonds Costs of Issuance Fund" means the Costs of Issuance Fund created by Section 4.01 hereof.

"Series 2013 A Bonds Redemption Account" means the Series 2013 A Bonds Redemption Account established in the Series 2013 A Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2013 A Bonds Reserve Account" means the Series 2013 A Bonds Reserve Account established in the Series 2013 A Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2013 A Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2013 A Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2013 A Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2013 A Bonds.

"Series 2013 A Bonds Sinking Fund" means the Series 2013 A Bonds Sinking Fund established by Section 4.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds created for the Series 2013 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution or Resolutions to be adopted by the Issuer following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates, redemption provisions, Original Purchaser, Bond Purchase Agreement, Bond Insurer provisions (if any) and other terms of the Series 2013 A Bonds and authorizing the sale of the Series 2013 A Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues not required by the Ordinance 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 funds and accounts established for the Prior Bonds or the Series 2013 A Bonds.

"System" means the complete public waterworks system of the Issuer, presently existing in its entirety or any integral part thereof, and any further additions, extensions and improvements thereto hereafter constructed or acquired for the System from any sources whatsoever.

"Term Bonds" means Series 2013 A Bonds subject to mandatory sinking fund redemption, as described by Section 3.06 hereof.

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

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

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

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

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

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

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

B. The Issuer now owns and operates through the Board a public waterworks System, the construction, extension and improvements of which it has financed or refinanced pursuant to the issuance of the Prior Bonds and Series 2002 Bonds.

C. The Issuer has determined that present value debt service savings will result from the current refunding of its Outstanding Series 2002 Bonds, and that it is in the best interest of the residents of the Issuer and other users of the System to currently refund such Series 2002 Bonds.

D. It is deemed necessary for the Issuer to issue its Water Refunding Revenue Bonds, Series 2013 A, in the original aggregate principal amount of not more than $10,000,000, in order to repay in full the remaining principal balance of and all accrued interest on the Issuer's Series 2002 Bonds. The proceeds of the Series 2013 A Bonds may also be applied to funding the Series 2013 A Bonds Reserve Account and the payment of underwriter's discount; legal expenses; expenses for estimates of costs and revenues; administrative expense; commitment fees; premiums for municipal bond insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of registrar's, Paying Agents, depositories or trustees or other costs in connection with the sale of the Series 2013 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall also be permitted.

E. It is in the best interest of the Issuer that the Series 2013 A Bonds be sold to the Original Purchaser pursuant to the terms and provisions of a Bond Purchase Agreement to be entered into by and between the Issuer and the Original Purchaser, as shall be approved by the Supplemental Resolution of the Issuer.

F. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2013 A Bonds as to liens, pledge, source of and security for payment, as follows: (1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850 (the "Series 2001 A Bonds"); and (2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764 (the "Series 2004 A Bonds") (collectively, referred to herein as the "Prior Bonds").

The Series 2013 A Bonds shall be issued on a parity with one another and with the Prior Bonds, all of which shall have a first lien position with respect to pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2013 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Series 2001 A Bonds and Series 2004 A Bonds are met; and

(ii) the written consent of the Registered Owners of the Series 2001 A Bonds and Series 2004 A Bonds to the issuance of the Series 2013 A Bonds on a parity with such Bonds.

Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by the Gross Revenues of the System.

G. The Issuer derives revenues from the System which are pledged for payment of the Prior Bonds. Except for such pledge thereof to secure and pay the Prior Bonds and Series 2002 Bonds, said revenues are not pledged or encumbered in any manner. The Issuer intends to issue the Series 2013 A Bonds and to pledge for payment thereof, the Gross Revenues of the System. Upon issuance of the Series 2013 A Bonds, the Series 2013 A Bonds will be secured by a first lien on the Gross Revenues of the System, on a parity with the Prior Bonds.

H. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, to provide for repair, maintenance and operation of the System, the payment of interest on the Series 2013 A Bonds and the Prior Bonds, and to create sinking funds, as hereinafter provided, to pay the principal on the Series 2013 A Bonds and the Prior Bonds as and when it becomes due and reasonable reserves therefore, to provide an adequate renewal and replacement fund, as hereinafter provided, and to make all other payments provided for in this Ordinance and the Prior Ordinances.

I. It is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 2013 A Bonds, and secure the Series 2013 A Bonds by a pledge and assignment of the Gross Revenues derived from the operation of the System, the monies in the Series 2013 A Bonds Reserve Account, unexpended proceeds of the Series 2013 A Bonds and as further set forth herein.

J. The Series 2013 A Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A – FORM OF SERIES 2013 A BOND, 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 Issuer.

K. All things necessary to make the Series 2013 A Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer 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 Series 2013 A Bonds will be timely done and duly performed.

L. The enactment of this Ordinance, and the execution and issuance of the Series 2013 A Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

M. The Issuer has complied with all requirements of West Virginia law relating to the operation of the System, the issuance of the Series 2013 A Bonds and the refunding of the Series 2002 Bonds, or will have so complied prior to issuance of any thereof.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Series 2013 A Bonds by those who shall own or hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Registered Owners of any and all of such Series 2013 A Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Series 2013 A Bond and any other Series 2013 A Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDING

Section 2.01. Authorization of Refunding. All Series 2002 Bonds Outstanding as of the date of issuance of the Series 2013 A Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Gross Revenues in favor of the Registered Owners of the Series 2002 Bonds imposed by the Prior Ordinances authorizing the issuance of the Series 2002 Bonds, the monies in the funds and accounts created by the Prior Ordinances pledged to payment of the Series 2002 Bonds, and any other funds pledged by the Prior Ordinances to payment of the Series 2002 Bonds are hereby ordered terminated, discharged and released upon payment into the Series 2002 Bonds Prepayment Fund from the proceeds of the Series 2013 A Bonds, together with other moneys available therefore, of the following: (a) if required by the Prepayment Agreement, an amount equal to the fiscal and paying agent charges and the escrow trustee charges to become due and payable in connection with the Series 2002 Bonds or Series 2013 A Bonds and (b) an amount which will be either held uninvested in a deposit account or simultaneously invested as provided in the Prepayment Agreement, including but not limited to investments in Government Obligations bearing interest and having maturities sufficient, together with certain cash which may also be deposited, to provide for the payment of principal of and interest on such Series 2002 Bonds as the same become due, to the first date upon which the entire aggregate amount of the Series 2002 Bonds are to be redeemed, all as set forth in the Prepayment Agreement. Contemporaneously with the deposit of such Series 2002 Bonds proceeds into the Series 2002 Bonds Prepayment Fund, the amounts on deposit in the sinking fund, including the reserve account therein, and all other funds and accounts created and maintained on behalf of the Series 2002 Bonds, shall be deposited in the Series 2002 Bonds Prepayment Fund or such other fund or account as shall be set forth in the Prepayment Agreement and disposed of as provided in the Prepayment Agreement.

ARTICLE III
THE BONDS

Section 3.01. Form and Payment of Bonds. No Series 2013 A Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Series 2013 A Bonds issued pursuant to this Ordinance may be issued only as fully registered Series 2013 A Bonds without coupons, in the denomination of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in a Supplemental Resolution). All Series 2013 A Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. All Series 2013 A Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 A Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 A Bonds shall be in default, Series 2013 A Bonds issued in exchange for Series 2013 A Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 A Bonds surrendered.

The principal of and the premium, if any, on the Series 2013 A Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Series 2013 A Bonds shall be paid by check or draft made payable and mailed to the Registered Owner thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $1,000,000 or more of the Series 2013 A Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Series 2013 A Bond is redeemed in part, such bond shall be surrendered to and canceled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Registered Owner thereof, another Series 2013 A Bond in the principal amount of said Series 2013 A Bond then Outstanding.

Section 3.02. Execution of Bonds. The Series 2013 A Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, by his or her manual or facsimile signatures, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Series 2013 A 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 Series 2013 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Series 2013 A 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 EXHIBIT A - FORM OF SERIES 2013 A BOND attached hereto and incorporated herein by reference with respect to such respective Series 2013 A Bond, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Series 2013 A Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Series 2013 A Bond shall be deemed to have been executed by the Registrar if 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 Series 2013 A Bonds issued hereunder.

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer set forth below, the Series 2013 A Bonds shall be, and have all of the qualities and incidents of, negotiable instruments under the Uniform Commercial Code of the State, and each successive Registered Owner, in accepting any of said Series 2013 A Bonds, shall be conclusively deemed to have agreed that such Series 2013 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder shall further be conclusively deemed to have agreed that said Series 2013 A Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2013 A Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Series 2013 A Bonds. The Series 2013 A Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Series 2013 A Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Series 2013 A Bonds may at the option of the Holder thereof be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Series 2013 A Bond is exercised, Series 2013 A Bonds shall be delivered in accordance with the provisions of this Ordinance. All Series 2013 A Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Series 2013 A Bonds, the initial exchange of Series 2013 A Bonds and exchanges of such Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Series 2013 A Bonds, the Registrar

may impose a service charge. For every such transfer or exchange of such Bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2013 A Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2013 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Bond so destroyed, stolen or lost, and upon the Registered Owner furnishing the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Registered Owner listed in the Bond Register shall constitute proof of ownership. All Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer, by and through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender thereof.

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

Section 3.06. Term Bonds. In the event Term Bonds are issued as part of the Series 2013 A Bonds issued pursuant to this Ordinance, the following provisions shall apply:

A. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Series 2013 A Bonds Redemption Account in accordance with Subsection 4.03(A)(2) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 13 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory redemption date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

B. At its option, to be exercised on or before the 60th day next preceding any such mandatory redemption date, the Issuer may (a) deliver to the Registrar for cancellation such Term Bonds in any aggregate principal amount desired or (b) receive a credit in respect of its

mandatory redemption obligation for any such Term Bonds which prior to said date have been redeemed (otherwise than pursuant to this section) and canceled by the Registrar and not theretofore applied as a credit against any such mandatory redemption obligation. Each Term Bond so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and Term Bonds delivered in excess of such mandatory redemption obligation shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

C. The Issuer shall on or before the 60th day next preceding each mandatory redemption date furnish the Registrar and the Bond Commission with its certificate indicating whether and to what extent the provisions of (a) and (b) of the preceding paragraph are to be utilized with respect to such mandatory redemption payment and stating, in the case of the credit provided for in (b) of the preceding paragraph, that such credit has not theretofore been applied against any mandatory redemption obligation.

D. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the moneys in the Series 2013 A Bonds Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

E. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the redemption date (interest to be paid from the Sinking Fund), as will exhaust as nearly as practicable such Series 2013 A Bonds Redemption Account payment designated to be made in accordance with paragraph (A) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory redemption date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Registered Owner of the Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the applicable Bond Insurer, if any, the Original Purchaser, and the Registered Owner of the Series 2013 A Bond or Bonds, as applicable, to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state:

(1) The Redemption Date,

(2) The Redemption Price,

(3) If less than all outstanding Series 2013 A Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(4) That on the Redemption Date the Redemption Price and interest accrued will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) The place where such Bonds are to be surrendered for payment of the Redemption Price, which place of payment shall be the principal office of the Registrar, and

(6) Such other information, if any, as shall be required for DTC-eligible Bonds.

Prior to any redemption date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Series 2013 A Bonds or portions of such Bonds which are to be redeemed on that date. If such funds are not so deposited such redemption will not occur and such will not constitute a default on the Series 2013 A Bonds.

Official notice of redemption having been given as aforesaid, the Series 2013 A Bonds or portions of such Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Series 2013 A Bonds or portions of such Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Series 2013 A Bonds, and failure to mail such notice shall not affect the validity of proceedings for the redemption of any portion of Bonds for which there was no such failure.

Section 3.08. Persons Treated as Owners. The Issuer, the Registrar and any agent of the Issuer or the Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of the principal of, and interest on,

such Bond and (except as provided in Section 6.18) for all other purposes, whether or not such Bond is overdue.

Section 3.09. Temporary Bonds. Until Bonds of any series in definitive form are ready for delivery, the Issuer may execute and the Registrar shall authenticate, register, if applicable, and deliver, subject to the same provisions, limitations and conditions set forth in this Article III, one or more printed, lithographed or typewritten Bonds in temporary form, substantially in the form of the definitive Bonds of such series, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the lien and benefit created under this Ordinance. Upon the presentation and surrender of any Bond in temporary form, the Issuer shall, without unreasonable delay, prepare, execute and deliver to the Registrar, and the Registrar shall authenticate, register, if applicable, and deliver, in exchange therefore, a Bond or Bonds in definitive form. Such exchange shall be made by the Registrar without making any charge therefore to the Holder of such Bond in temporary form.

Section 3.10. Authorization of Bonds. For the purposes of paying in full the entire outstanding principal of and all accrued interest on the Series 2002 Bonds, funding the Series 2013 A Bonds Reserve Account and paying costs of issuance of the Series 2013 A Bonds and related costs, there shall be issued the Series 2013 A Bonds of the Issuer, in an aggregate principal amount of not more than $10,000,000. The Series 2013 A Bonds shall be designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" and shall be issued in fully registered form, in denominations of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in the Supplemental Resolution), not exceeding the aggregate principal amount of Series 2013 A Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 2013 A Bonds shall be numbered from AR-1 consecutively upward. The Series 2013 A Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Series 2013 A Bonds. The Series 2013 A Bonds (if purchased by the Original Purchaser) shall initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2013 A Bonds of each maturity, and shall be registered in the name of Cede & Co., as nominee of DTC. Notwithstanding anything herein to the contrary contained, so long as the Series 2013 A Bonds are Outstanding and registered with DTC, DTC (or its nominee) shall be treated as the sole Registered Owner for all purposes hereunder. Each Bond shall bear a legend substantially to the following effect "Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this certificate is presented by an authorized representative of DTC, to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede

& Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein."

With respect to Series 2013 A Bonds registered in the records of the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent shall have no responsibility or obligation to any other participant in DTC or to any Person on behalf of whom such a participant in DTC holds a beneficial interest in the Series 2013 A Bonds. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any other participant in DTC with respect to any beneficial ownership interest in any Bond, (ii) the delivery to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any notice with respect to any Series 2013 A Bonds, including without limitation any notice of redemption, tender, purchase or any event which would or could give rise to a tender or purchase right or option with respect to any Bond, (iii) the payment to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any amount with respect to principal of, premium, if any, or interest on, any Bond, or (iv) any consent given by DTC as Registered Owner. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent shall be entitled to treat and consider the Person in whose name each Bond is registered in the records of the Registrar as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption, sale, purchase or any event which would or could give rise to a sale or purchase right or option with respect to any Bond for the purpose of making payment of any purchase price of such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Issuer and Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2013 A Bonds and the purchase price of any Bond only to or upon the order of the respective Registered Owners, as shown in the records of the Registrar as provided in this Ordinance, or their respective attorneys or legal representatives duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2013 A Bonds to the extent of the sum or sums so paid. No Person other than a Registered Owner, as shown in the records of the Registrar, shall receive a Bond certificate evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to this Ordinance.

The Registered Owners have no right to a depository for the Series 2013 A Bonds. The Issuer may remove DTC or any successor thereto for any reason at any time. In such event or in the event DTC shall notify the Issuer that DTC is discontinuing its book-entry system for the Series 2013 A Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bond certificates to such successor securities depository or (ii) notify DTC of the availability through the DTC of Bond certificates and transfer one or more separate Bond certificates to other participants or beneficial owners as DTC may direct. In such event, the Series 2013 A Bonds

shall no longer be restricted to being registered in the records of the Registrar in the name of Cede & Co., as nominee, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names other participants in DTC receiving Series 2013 A Bonds shall designate, in accordance with the provisions of this Ordinance. The provisions of this Section applicable to DTC shall apply, mutatis mutandis, to any successor depository performing the same functions hereunder as DTC.

The Issuer represents hereby that it has executed a Letter of Representations, the terms of which are applicable to the issuance of the Series 2013 A Bonds hereunder. Such Letter of Representations is for the purpose of effectuating the Book-Entry Only System only and shall not be deemed to amend, supersede or supplement the terms of this Ordinance which are intended to be complete without reference to the Letter of Representations. In the event of any conflict between the terms of the Letter of Representations and the terms of this Ordinance, the terms of this Ordinance shall control. DTC may exercise the rights of a Registered Owner hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

Section 3.12. Delivery of Series 2013 A Bonds. The Issuer shall execute and deliver the Series 2013 A Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2013 A Bonds to the Original Purchaser upon receipt of the documents set forth below:

(1) If not registered in the name of DTC or its nominee, a list of the names in which the Series 2013 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(2) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 A Bonds to DTC for the benefit of the Original Purchaser;

(3) Copies of this Ordinance and the Supplemental Resolution certified by the City Clerk;

(4) The unqualified approving opinion of Bond Counsel regarding the Series 2013 A Bonds; and

(5) A copy of such other documents and certificates as the Original Purchaser may reasonably require.

Section 3.13. Form of Series 2013 A Bonds. The definitive Series 2013 A Bonds shall be in substantially the form set forth in EXHIBIT A – FORM OF SERIES 2013 A BOND attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2013 A Bonds on behalf of the Issuer and execution thereof by such officers shall

constitute conclusive evidence of such approval, and the definitive Series 2013 A Bonds shall have the form of the opinion of Steptoe & Johnson PLLC, as Bond Counsel, attached thereto.

Section 3.14. Sale of Series 2013 A Bonds; Approval and Ratification of Execution of Bond Purchase Agreement with Original Purchaser. The Series 2013 A Bonds shall be sold to the Original Purchaser pursuant to the terms and conditions of the Bond Purchase Agreement. If not so authorized by previous ordinance, the Mayor is specifically authorized and directed to execute the said Bond Purchase Agreement in such form as may be approved by the Supplemental Resolution, and the Clerk is directed to affix the seal of the Issuer, attest the same and deliver the said Bond Purchase Agreement to the Original Purchaser.

Section 3.15. Disposition of Proceeds of Series 2013 A Bonds. Upon the issuance and delivery of the Series 2013 A Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

1. All interest accrued on Series 2013 A Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2013 A Bonds Sinking Fund and applied to payment of interest on the Series 2013 A Bonds at the first interest payment date.

2. An amount of the proceeds of the Series 2013 A Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2013 A Bonds Reserve Account.

3. An amount of the proceeds of the Series 2013 A Bonds, which together with certain funds on deposit with the Bond Commission for the Series 2002 Bonds, shall equal the entire outstanding principal of, prepayment premium and all accrued interest on the Series 2002 Bonds to the redemption date thereof as set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2002 Bonds Prepayment Fund pursuant to the Prepayment Agreement in order to pay the Series 2002 Bonds in full, together with the prepayment premium thereon on the redemption date thereof.

4. An amount of Series 2013 A Bond proceeds which, together with other monies or securities deposited therein, shall be equal to the Costs of Issuance of the Series 2013 A Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2013 A Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2013 A Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2013 A Bonds Sinking Fund established in Section 4.02 hereof and applied to the next ensuing payment of interest on the Series 2013 A Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 A Bonds from which such proceeds are derived.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article IV, the following special funds are created with (or continued if previously established by the Prior Ordinances), and shall be held by, the Depository Bank, segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other and used solely for the purposes provided herein:

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

(2) Renewal and Replacement Fund (established by the Prior Ordinances as Depreciation Fund and hereby renamed and continued);

(3) Operation and Maintenance Fund (established by the Prior Ordinances);

(4) Series 2013 A Bonds Costs of Issuance Fund; and

(5) Rebate Fund.

Section 4.02. Establishment of Funds and Accounts with Bond Commission. Pursuant to this Article IV, the following special funds and accounts are hereby established (or continued if previously established by the Prior Ordinances) with and shall be held by the Bond Commission, separate and apart from all other funds or accounts of the Bond Commission or the Issuer and from each other and used solely for the purposes provided herein:

(1) Series 2001 A Bonds Sinking Fund (established by Prior Ordinance and continued hereby);

(2) Series 2001 A Bonds Reserve Account (established by Prior Ordinance and continued hereby);

(3) Series 2004 A Bonds Sinking Fund (established by Prior Ordinance and continued hereby);

(4) Series 2004 A Bonds Reserve Account (established by Prior Ordinance and continued hereby);

(5) Series 2013 A Bonds Sinking Fund;

(a) Within the Series 2013 A Bonds Sinking Fund:

(i) Series 2013 A Bonds Reserve Account; and

(ii) Series 2013 A Bonds Redemption Account.

Section 4.03. System Revenues and Application Thereof. So long as any of the Series 2013 A Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited by the Issuer in the Revenue Fund. The Revenue Fund shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided. All Gross Revenues at any time remaining on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the interest on the Prior Bonds; and (ii) commencing 7 months prior to the first interest payment date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2013 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 2013 A Bonds Sinking Fund and the next ensuing semiannual interest payment date is more or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; provided further that, the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2013 A Bonds Sinking Fund shall be reduced by the amount of accrued interest, if any, on the Series 2013 A Bonds deposited therein, and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2013 A Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the principal of the Prior Bonds; and (ii) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund and in the Series 2013 A Bonds Redemption

Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2013 A Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2013 A Bonds on the next ensuing principal payment date or mandatory Redemption Date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next ensuing principal payment date or mandatory Redemption Date is more or less than 13 months (or 7 months if the Series 2013 A Bonds mature semiannually rather than annually), then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2013 A Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

(3) The Issuer shall next each month, transfer from the Revenue Fund to the Operation and Maintenance Fund an amount sufficient to pay all Operating Expenses of the System.

Moneys in the Series 2013 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2013 A Bonds, whether by maturity or redemption prior to maturity. Moneys on deposit in the Series 2013 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2013 A Bonds when the funds on deposit in the Series 2013 A Bonds Sinking Fund are insufficient therefore, and for no other purpose. Pending such use, such moneys shall be invested in accordance with Article V.

The Issuer shall not be required to make any further payments into the Series 2013 A Bonds Sinking Fund when the aggregate amount of funds therein, including the Series 2013 A Bonds Reserve Account therein, is at least equal to the aggregate principal amount of Series 2013 A Bonds then Outstanding, plus the amount of interest due or thereafter to become due on such Bonds then Outstanding.

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

The payments into the Series 2013 A Bonds Sinking Fund shall be made on the first day of each month, except that, when the first day of any month shall be a Saturday, 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 Bond Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Ordinance.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Reserve Accounts of the Prior Bonds the amounts required by the Prior Ordinances; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2013 A Bonds, if not fully funded upon issuance of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2013 A Bonds Reserve Requirement, and thereafter the Issuer shall deposit in the Series 2013 A Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Series 2013 A Bonds Reserve Account below the Series 2013 A Bonds Reserve Requirement or any withdrawal from the Series 2013 A Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2013 A Bonds Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2013 A Bonds Reserve Account is less than the Series 2013 A Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2013 A Bonds Reserve Account for deposit into the Series 2013 A Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefore, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2013 A Bonds Reserve Account to an amount equal to the Series 2013 A Bonds Reserve Requirement to the full extent that such Gross Revenues are available; provided however, that if the shortfall in the Series 2013 A Bonds Reserve Account is due to a decrease in value of investments therein, such shortfall shall be replenished by not less than 6 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2013 A Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2013 A Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Series 2013 A Bonds Reserve Requirement.

Amounts in the Series 2013 A Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2013 A Bonds when due, when amounts in the Series 2013 A Bonds Sinking Fund are insufficient therefore and for no other purpose.

> (5) The Issuer shall next, each month, transfer from the monies remaining in the Revenue Fund and remit to the Depository Bank for deposit in 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. Subject to the restrictions contained in the Prior Ordinances, so long as the Prior Bonds are outstanding, withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, or improvements or extensions to the System; provided, that any deficiency in any Reserve Account, except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof, shall be promptly eliminated with monies from the Renewal and Replacement Fund.
>
> (6) If on any monthly payment date the revenues of the System are insufficient to make the required deposits in any of the funds and accounts as hereinabove provided, the deficiency shall be made up on the next ensuing payment dates by payments in addition to the payments which are otherwise required to be made into the funds on such ensuing payment dates.
>
> (7) The Issuer may next, each month, after making the above required transfers of moneys from the Revenue Fund, apply any remaining revenues ("Surplus Revenues") to payment of debt service on any other subordinate bonds, notes, certificates or other obligations of the System. Any Surplus Revenues then remaining in the Revenue Fund may be used for any lawful purpose of the System.

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

Bond Commission shall deposit all remittances in the fund or account in the priority established by this Ordinance.

C. If on any monthly payment date the Gross 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 4.03 and the Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

D. Principal and interest payments, and any payments made for the purpose of funding the Reserve Accounts, shall be made on a parity basis and pro-rata, with respect to the Prior Bonds, the Series 2013 A Bonds and any parity Bonds hereinafter issued, in accordance with the respective principal amounts of each such series of Bonds then Outstanding, if less than the full amount required hereby.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE REBATES AND CONTINUING DISCLOSURE CERTIFICATE

Section 5.01. Investments. The Issuer shall invest and reinvest, and shall instruct the Bond Commission and the Depository Bank to invest and reinvest, any moneys held as a part of the funds and accounts created by this Ordinance in Qualified Investments to the fullest extent possible under applicable laws, this Ordinance, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this section.

Except as provided below, 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 Issuer 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 Issuer may make any and all investments permitted by this section through the bond department of the Depository Bank. The Depository Bank shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The following specific provisions shall apply with respect to any investments made under this section:

(A) Qualified Investments acquired for the Renewal and Replacement Fund or any Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 3 years from the date of such investment.

(B) The Issuer shall, or shall cause the Bond Commission to, semiannually transfer from each Reserve Account to the corresponding Sinking Fund any earnings on the moneys deposited therein and any other funds in excess of the applicable Reserve Account Requirement; provided, however, that there shall at all times remain on deposit in each Reserve Account an amount at least equal to the applicable Reserve Account Requirement.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from a Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in a Reserve Account shall, at any time, be less than the applicable Reserve Requirement, the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Gross Revenues after required deposits to the applicable Sinking Fund and otherwise in accordance with Section 4.03(3).

(D) All amounts representing accrued interest shall be held by the Bond Commission, pledged solely to the payment of interest on the Bonds and invested only in Government Obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged.

(E) Notwithstanding the foregoing, all moneys deposited in any Sinking Fund may be invested by the Bond Commission in the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia, 1931, as amended.

Section 5.02. Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Series 2013 A Bonds in such manner and to such extent as may be necessary, so that such Series 2013 A Bonds will not constitute "arbitrage bonds" under Section 148 of the Code and Regulations prescribed thereunder, 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 such Bonds) so that the interest on the Series 2013 A 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 5.03. Tax Certificate, Rebates, and Rebate Fund. 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 any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2013 A 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 Ordinance.

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,

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 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 therefore. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.03 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.

Section 5.04. Continuing Disclosure Certificate. The Issuer shall deliver a continuing disclosure certificate in form acceptable to the Original Purchaser sufficient to ensure compliance with Rule 15c2-12, as it may be amended from time to time.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Ordinance shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2013 A Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Series 2013 A Bonds as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 A Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds Not to be Indebtedness of the Issuer. The Series 2013 A Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any

constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein and the unexpended proceeds of the Series 2013 A Bonds, all as herein provided. No Holder or Holders of the Series 2013 A Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2013 A Bonds or the interest thereon.

Section 6.03. Series 2013 A Bonds Secured by Parity Pledge of Gross Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of all of the Series 2013 A Bonds issued hereunder shall be secured forthwith equally and ratably with each other by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The payment of the debt service on the Series 2013 A Bonds shall also be secured by the moneys in the Series 2013 A Bonds Sinking Fund, including the Series 2013 A Bonds Reserve Account therein. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2013 A Bonds herein authorized, and to make the payments into the Series 2013 A Bonds Sinking Fund, all moneys and securities in the Series 2013 A Bonds Sinking Fund, including the Series 2013 A Bonds Reserve Account therein, and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Prior Bonds and the Series 2013 A Bonds herein authorized as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. Prior to the issuance of the Series 2013 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder.

So long as the Series 2013 A Bonds are outstanding, the Board covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Ordinance and in compliance with this Ordinance. In the event the schedule of rates and charges currently in effect for the System shall prove to be insufficient to produce the required sums set forth in this Ordinance, the Board 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 and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Ordinance. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for

contingencies and temporary unanticipated reduction in income and revenues, the Issuer and the Board hereby covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with all requisite appeal periods having expired (without successful appeal), whether or not such approved rates are being charged and collected by the Board.

The Board covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Accountant that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

Section 6.05. Operation and Maintenance. The Issuer or the Board will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the Revenues of said System in the manner provided in this Ordinance. The Issuer or the Board will obtain all permits required by state and federal laws for the operation of the System and all orders and approvals from the Public Service Commission of West Virginia necessary for the operation of the System.

Section 6.06. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer and the Board shall not sell, mortgage, lease or otherwise dispose of or encumber the System except as provided in the Prior Ordinances. Additionally, so long as the Series 2013 A Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, or to defease the pledge created by this Ordinance and the Prior Ordinances except as provided below. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the respective Sinking Funds, and otherwise as prescribed by

Section 9.01. Any balance remaining after such defeasance shall be remitted to the Board by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Board and the Issuer shall have and hereby reserve the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of $500,000, the Issuer and the Board shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $500,000 but not in excess of $5,000,000, the Issuer and the Board shall first, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $500,000 and not in excess of $5,000,000, shall be deposited by the Board into the Renewal and Replacement Fund. Such payments of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer or the Board if the proceeds to be derived therefrom shall be in excess of $5,000,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer or the Board shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except additional parity Bonds provided for in Section 6.08 hereof, payable from the Revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Gross Revenues with the Series 2013 A Bonds; and all obligations hereafter issued by the Issuer payable from the revenues of the System, except such additional Bonds, shall contain an express statement that such obligations are junior and subordinate as to lien on and source of and security for payment from such revenues and in all other respects to the Bonds.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to such additional parity Bonds, being on a parity with the lien of the Series 2013 A Bonds, and the

interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2013 A Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no Additional Parity Bonds, as in this section defined, payable out of the revenues of the System shall be issued after the issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

No such Additional Parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, or refunding the Prior Bonds, to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

So long as the Series 2013 A Bonds are Outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the two Fiscal Years following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with the time for all available appeals having expired (without successful appeal) prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the Board.

The term "Additional Parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Bonds, and all the covenants

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

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

No Additional Parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance and the Prior Ordinances on account of the Bonds then Outstanding, if any (excluding the Renewal and Replacement Fund), and any other payments provided for in this Ordinance and the Prior Ordinances shall have been made in full as required to the date of delivery of the Additional Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and the Prior Ordinances.

Provided, however, that when the Prior Bonds are no longer outstanding or in the event that the registered owners of the Prior Bonds waive the applicability of certain covenants contained in the Prior Ordinances, if the most recent audit by an independent certified public accountant for the Issuer or the Board for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the Issuer or the Board was not in compliance with the rate covenant in Section 6.04 of this Ordinance for the year being audited and the Board has, as required by Section 6.04, enacted a rate ordinance for which all applicable appeal periods shall have expired (without successful appeal) implementing a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the Issuer from issuing Additional Parity Bonds under this Section 6.08.

Section 6.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Series 2013 A Bonds remain Outstanding, the Issuer or the Board will, as an Operating Expense, procure, carry and maintain insurance and bonds and workers' compensation coverage with a reputable insurance carrier or carriers or bonding company or companies covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the time of war the Issuer or the Board will also carry and maintain insurance to the extent available against 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 and destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than $1,000,000 per occurrence to protect the Issuer and the Board 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 and the Board from claims arising out of operation or ownership of motor vehicles of or for the System.

C. WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Issuer or the Board and such payment bonds will be filed with the Clerk of the County Commission of the County in which such work is to be performed prior to commencement of construction of any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

D. FLOOD INSURANCE, to extent available at reasonable cost to the Issuer or the Board.

E. BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer or the Board.

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

Section 6.10. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling, or building intended to be served by the System to connect thereto.

Section 6.11. No Free Services. The Board will not render or cause to be rendered any free services of any nature by the System; and, in the event the Board, the Issuer or any department, agency, instrumentality, officer or employee thereof shall avail himself of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Board, the Issuer and any such department, agency, instrumentality, officer or

employee. Such charges shall be paid as they accrue, and the Board and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 6.12. Enforcement of Collections. The Issuer or the Board 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 20 days after the same shall become due and payable, the user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid and to the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, shall become a lien on the premises served by the System. The Issuer and the Board further covenant and agree that they will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services and facilities of the System to all delinquent users of services and facilities of the System and will not restore such services of the System until all billing for charges for the services and facilities of the System, including penalties and reconnect fees, have been fully paid, or a payment agreement in compliance with the West Virginia Public Service Commission regulations has been entered.

Section 6.13. No Competing Franchise. To the extent legally allowable, the Issuer and the Board will not grant or cause, consent to or allow the granting of any franchise or permit to any person, firm, corporation or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.14. Books and Records. The Issuer or the Board will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds shall have the right at all reasonable times to inspect the System, and all parts thereof, and all records, accounts and data of the Issuer and the Board relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles, to the extent allowable under and in accordance with the rules and regulations of the Public Service Commission of West Virginia and the Act. Separate control accounting records shall be maintained by the Issuer or the Board. Subsidiary records as may be required shall be kept in the manner, on the forms, in the books and along with other bookkeeping records as prescribed by the Issuer or the Board. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be

installed remote from the direct supervision of the Issuer or the Board shall be reported to such agent of the Issuer as it shall direct.

The Issuer or the Board shall file with the Original Purchaser and any Bond Insurer, and shall mail to any Holder of Bonds requesting the same, an annual report within 180 days following the end of each Fiscal Year containing a balance sheet, statement of revenues, expenses, and changes in retained earnings, and statement of cash flows, as prescribed by generally accepted accounting principles.

The Issuer or the Board shall also file with the Original Purchaser and any Bond Insurer, and mail to any Holder of Bonds requesting the same, a monthly unaudited report within 30 days following the end of each month containing the following:

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

(B) A statement of account balances in the Sinking Fund accounts provided for in this Ordinance and status of said funds.

The Issuer or the Board shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by Independent Accountants, shall mail upon request, and make available generally, the report of said Independent Accountants, or a summary thereof, to any Holder or Holders of Bonds issued pursuant to this Ordinance and shall file said report with the Original Purchaser.

Section 6.15. Operating Budget. The Issuer or the Board shall annually, at least 30 days preceding the beginning of each Fiscal Year, or at such earlier date required by its charter, prepare and adopt by resolution a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. The Issuer or the Board shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser and to any Holder of Bonds or anyone acting for and in behalf of such Holder who requests the same.

Section 6.16. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2013 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on such Series 2013 A Bonds during the term thereof is, under the terms of such Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2013 A Bonds are

used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2013 A Bonds during the terms thereof is, under the terms of such Series 2013 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2013 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Series 2013 A Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2013 A Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2013 A Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2013 A Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2013 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 6.17. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 A 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 the issuance of the Series 2013 A Bonds and shall be on a parity with one another and with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 6.18. Continuing Disclosures. In order to provide the written undertaking for the benefit of the owners of the Series 2013 A Bonds required by the Securities and Exchange Commission Rule 15c2-12, the Issuer shall enter into a Continuing Disclosure Agreement in such form as may be approved by the Supplemental Resolution, and the Mayor and City Manager are authorized and directed to execute and deliver such Continuing Disclosure Agreement on behalf of the Issuer, with such changes as the Mayor and City Manager shall approve, such approval to be conclusively evidenced by the execution of such Agreement by the Mayor and City Manager.

Section 6.19 Preliminary Official Statement; Official Statement. The distribution of the Preliminary Official Statement with respect to the Series 2013 A Bonds shall be and the same is hereby approved. The form of the Preliminary Official Statement shall be in such form as may be approved by the Supplemental Resolution. The Mayor is hereby authorized and directed to execute and deliver a final official statement on behalf of the Issuer, which shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be required to reflect the terms of the sale of the Series 2013 A Bonds and as the Mayor may approve (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 Original Purchaser for distribution.

Section 6.20. Designation of Series 2013 A Bonds as "Qualified Tax-Exempt Obligations". The Issuer hereby designates the Series 2013 A Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Series 2013 A Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 2013 A Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2013, all as determined in accordance with the Code.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2013 A Bonds:

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

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

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

(D) If the Issuer defaults on the Prior Bonds or the Prior Ordinances.

Section 7.02. Enforcement. Upon the happening and continuance of any Event of Default, any Registered Owner of any Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his rights and, in particular:

(A) Bring suit for any unpaid principal or interest then due;

(B) By mandamus or other appropriate proceeding enforce all rights of the Registered Owners, including the right to require the Issuer or the Board to perform their duties under the Act and this Ordinance;

(C) Bring suit upon the Bonds;

(D) By action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds; and

(E) By action or bill in equity enjoin any acts in violation of this Ordinance or the rights of the Registered Owners of the Bonds; provided that, all rights and remedies of the Registered Owners of the Series 2013 A Bonds shall be on a parity with those of the Registered Owners of the Prior Bonds.

No remedy by the terms of this Ordinance conferred upon or reserved to the Registered Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Registered Owners hereunder or now or hereafter existing at law or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder by the Registered Owners shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Registered Owner shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer and the Board, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the principal of and interest on the Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Ordinance and the Act.

The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate, maintain, manage and control such facilities, and each and every part thereof, and in the name of

the Issuer and the Board exercise all the rights and powers of the Issuer and the Board with respect to said facilities as the Issuer or the Board itself might do.

Whenever all that is due upon the Series 2013 A Bonds issued pursuant to this Ordinance and interest thereon and under any covenants of this Ordinance for reserve, sinking or other funds and accounts 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 Ordinance shall have been cured and made good, possession of the System shall be surrendered to the Issuer and the Board upon the entry of an order of the court to that effect. Upon any subsequent default, any Registered Owner shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby and a successor receiver 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 the Board and for the joint protection and benefit of the Issuer, the Board, and the Registered Owners of the Bonds issued pursuant to this Ordinance. 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 the Registered Owners of the Bonds, and the curing and making good of any default under the provisions of this Ordinance, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the System.

Section 7.04. Restoration of Issuer and Registered Owners. In case any Registered Owner shall have proceeded to enforce any right under this Ordinance by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Board, and such Registered Owners shall be restored to their former positions and rights hereunder, and all rights and remedies of such Registered Owners shall continue as if no such proceedings had been taken.

ARTICLE VIII

REGISTRAR, PAYING AGENT AND DEPOSITORY BANK

Section 8.01. Appointment of Registrar, Paying Agent and Depository Bank. The Registrar, Paying Agent and Depository Bank (collectively, the "Fiduciaries") for the

Series 2013 A Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Fiduciaries, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Fiduciaries. The recitals of fact in the Series 2013 A Bonds shall be taken as statements of the Issuer, and the Fiduciaries shall not be responsible for their accuracy. The Fiduciaries shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Series 2013 A Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication on the Series 2013 A Bonds. The Fiduciaries and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

Section 8.03. Evidence on Which Fiduciaries May Act. Except as otherwise provided by Section 10.02, the Fiduciaries shall be protected in acting upon any notice, resolution, request, consent, order, certificate, opinion or other document believed by them to be genuine and to have been signed or presented by the proper party or parties. Whenever any Fiduciary shall deem it necessary or desirable that a fact or matter be proved or established prior to taking or suffering any action, such fact or matter, unless other evidence is specifically prescribed, may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Issuer, but in its discretion such Fiduciary may instead accept other evidence of such fact or matter.

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Fiduciaries from time to time reasonable compensation for all services, including the transfer of registration of Series 2013 A Bonds, the first exchange of Series 2013 A Bonds and the exchange of Series 2013 A Bonds in the event of partial redemption, incurred in the performance of their duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Series 2013 A Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners or effect or aid in any reorganization growing out of the enforcement of the Series 2013 A Bonds or this Ordinance, whether or not any such committee shall represent the Registered Owners of a majority in principal amount of the Series 2013 A Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Ordinance by giving not less than 60 days' written notice to the Issuer and mailing such notice to each Bondholder, specifying the date when such resignation shall take effect. Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or Bondholders, in which event such resignation shall take effect immediately.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer or by the Registered Owners of a majority in principal amount of the Series 2013 A Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer or by such Registered Owners or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Series 2013 A Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Bondholders. The Issuer shall mail to each Bondholder notice of any such appointment within 20 days after the effective date of such appointment. Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Bondholders. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance.

Section 8.09. Transfer of Rights and Property to Successor. Any predecessor Registrar or Paying Agent shall pay over, assign and deliver any moneys, books and records held by it and relating to the Series 2013 A Bonds to its successor.

Section 8.10. Merger or Consolidation. Any company into which the Registrar may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which the Registrar or any public officer or court may sell or transfer all or substantially all of its corporate trust business, shall be the successor to such Registrar without the execution or filing of any paper or the performance of any further act; provided, however, that such company shall be a bank, trust company or national banking association meeting the requirements set forth in Section 8.08.

Section 8.11. Adoption of Authentication. In case any of the Series 2013 A Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Series 2013 A Bonds so authenticated, and, in case any Series 2013 A Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Series 2013 A Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent. The Paying Agent for the Series 2013 A Bonds shall be the Commission or any other Paying Agent appointed by the Issuer pursuant to a Supplemental Resolution pertaining to such Series 2013 A Bonds. Any alternate Paying Agent must be a bank, trust company, national banking association or other entity authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Series 2013 A Bonds shall be and remain DTC-Eligible.

Each Paying Agent shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by such Paying Agent in connection with such services solely from moneys available therefore.

Any bank, trust company or national banking association with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Ordinance. If the position of Paying Agent shall become vacant for any reason, the Issuer shall, within 30 days thereafter, appoint a bank, trust company or national banking association located in the same city as such Paying Agent to fill such vacancy; provided, however, that, if the Issuer shall fail to appoint such Paying Agent within said period, the Bond Commission, a court of competent jurisdiction or a majority of the Registered Owners may make such appointment.

The Paying Agents shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in this Article VIII with respect to the Registrar, insofar as such provisions may be applicable.

Notice of the appointment of successor or additional Paying Agents or fiscal agents shall be given in the same manner as provided by Section 8.08 hereof with respect to the appointment of a successor Registrar.

All moneys received by the Paying Agents shall, until used or applied as provided in this Ordinance, be held in trust for the purposes for which they were received.

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Registered Owners of all Series 2013 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 Ordinance, then this Ordinance and the pledges of the Gross Revenues and other moneys and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Registered Owners of the

Series 2013 A Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2013 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 Bond Commission or an escrow trustee either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Series 2013 A Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Series 2013 A Bonds prior to the maturity thereof, on and prior to said redemption date. Neither securities nor moneys deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Series 2013 A Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or redemption dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. This Ordinance and any Supplemental Resolution may be amended or modified without the consent of any Registered Owner or other person, solely for the purpose of maintaining the tax-exempt status of the Series 2013 A Bonds, provided that, in the event any of the Series 2013 A Bonds are insured, no such amendment or modification which adversely affects the security for such Series 2013 A Bonds or the rights of the applicable Bond Insurer for such Series 2013 A Bonds may be effected without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Registered Owners of 60% in aggregate principal amount of the Series 2013 A Bonds then Outstanding and affected thereby and the Bond Insurer, if any, which must be filed with the City Clerk of the Issuer before any such modification or amendment, if any, may be made. No such

modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Series 2013 A Bond without the express written consent of the Registered Owner of such Bond, nor reduce the percentage of Series 2013 A Bonds required for consent to any such modification or amendment.

Section 10.02. Evidence of Signatures of Registered Owners and Ownership of Series 2013 A Bonds. Any request, consent, revocation of consent or other instrument which this Ordinance may require or permit to be signed and executed by Registered Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Registered Owners in person or by their attorneys duly authorized in writing. Proof of the execution of any such instrument, or of an instrument appointing or authorizing any such attorney, shall be sufficient for any purpose of this Ordinance if made in the following manner, or in any other manner satisfactory to the Issuer or the Registrar, as the case may be, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

A. The fact and date of the execution by any Registered Owner or his attorney of any such instrument may be proved (i) by the certificate of a notary public or other officer authorized to take acknowledgments of deeds to be recorded in the jurisdiction in which he purports to act that the person signing such instrument acknowledged to him the execution thereof, or by the affidavit of a witness of such execution, duly sworn to before such a notary public or other officer or (ii) by the certificate, which need not be acknowledged or verified, of an officer of a bank, a trust company or a financial firm or corporation satisfactory to the Issuer or the Registrar, as the case may be, that the person signing such instrument acknowledged to such bank, trust company, firm or corporation the execution thereof.

B. The authority of a person or persons to execute any such instrument on behalf of a corporate Holder may be established without further proof if such instrument is signed by a person purporting to be the president or treasurer or a vice-president or an assistant treasurer of such corporation with a corporate seal affixed, and is attested by a person purporting to be its secretary or assistant secretary.

C. The amount of fully registered Series 2013 A Bonds held by a person executing any instrument as a Registered Owner, the date of his holding such Series 2013 A Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

Any request, consent or other instrument executed by the Registered Owner of any Bond shall bind all future Registered Owners of such Bond in respect of anything done or suffered to be done hereunder by the Issuer or the Registrar in accordance therewith.

Section 10.03. Preservation and Inspection of Documents. To the extent allowable under law, all reports, certificates, statements and other documents received by the Registrar under the provisions of this Ordinance shall be retained in its possession and shall be available at all reasonable times for the inspection of the Issuer or any Registered Owner, and their agents and their representatives, but any such reports, certificates, statements or other documents may, at the election of the Registrar, be destroyed or otherwise disposed of at any

time after such date as the pledge created by this Ordinance shall be discharged as provided in Section 9.01.

Section 10.04. Cancellation of Series 2013 A Bonds. All Series 2013 A Bonds purchased or paid shall, if surrendered to the Issuer, be canceled and delivered to the Registrar, or, if surrendered to the Registrar, be canceled by it. No such Series 2013 A Bonds shall be deemed Outstanding under this Ordinance and no Series 2013 A Bonds shall be issued in lieu thereof. All such Series 2013 A Bonds shall be canceled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Series 2013 A Bonds. Anything in this Ordinance to the contrary notwithstanding, any monies held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Series 2013 Bonds which remain unclaimed for two years after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a notice that such monies remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such monies then unclaimed will be returned to the Issuer.

Section 10.06. Notices, Demands and Requests. Unless otherwise expressly provided, all notices, demands and requests to be given or made hereunder to or by the Issuer, the Registrar, the Depository Bank, or the Original Purchaser shall be in writing and shall be properly made if sent by United States mail, postage prepaid, and addressed as follows or if hand-delivered to the individual to whom such notice, demand or request is required to be directed as indicated below:

CITY:

City of Clarksburg
c/o Clarksburg Water Board
1001 South Chestnut Street
Clarksburg, West Virginia 26101
Attention: General Manager

REGISTRAR

[Name(s) and address(s) to be set forth in Supplemental Resolution]

PAYING AGENT:

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attn: Executive Director

DEPOSITORY BANK:

[Name(s) and address(s) to be set forth in Supplemental Resolution]

ORIGINAL PURCHASERS:

Crews & Associates, Inc.
150 Clay Street, Suite 410
Morgantown, West Virginia 26501

Any party listed above may change such address listed for it at any time upon written notice of change sent by United States mail, postage prepaid, to the other parties.

Section 10.07. No Personal Liability. No member of the Council or officer or employee of the Issuer shall be individually or personally liable for the payment of the principal of or the interest on any Series 2013 A Bond, but nothing herein contained shall relieve any such member, official or employee from the performance of any official duty provided by law or this Ordinance.

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Series 2013 A Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 A Bonds and the Original Purchaser, any right, remedy or claim under or by reason of this Ordinance. All the covenants, stipulations, promises and agreements contained in this Ordinance by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 A Bonds and the Original Purchaser.

Section 10.10. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 10.11. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 10.12. Conflicting Provisions Repealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, provided however, that the Prior Ordinances shall remain in full force and effect so long as any of the Prior Bonds are Outstanding.

Section 10.13. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, City Clerk and members of the Council were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 10.14. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the City Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in the *Clarksburg Exponent/Telegram*, a newspaper published and having a general circulation in the City of Clarksburg, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds described in this Ordinance and that any person interested may appear before the Council of the Issuer at the public hearing to be had at a public meeting of the Council at the date, time and location stated in the notice, and present protests, and that a certified copy of this Ordinance is on file with the City Clerk for review by interested parties during the office hours of the City Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

[Remainder of Page Intentionally Blank]

Section 10.15. Effective Date. This Ordinance shall take effect immediately upon enactment.

First Reading: February 7, 2013

Second Reading: February 21, 2013

Passed on Final Reading Following Public Hearing: March 7, 2013

Enacted this 7th day of March, 2013.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

APPROVED AND CORRECT AS TO FORM:

_____
City Attorney

APPROVED:

_____
President, Clarksburg Water Board

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the Council of the CITY OF CLARKSBURG at a regular meeting of the Council held at 7:00 p.m., on March 7, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper published and having a general circulation in the City of Clarksburg, the first publication having been not less than 10 days prior to such public hearing.

Dated this 26th day of April, 2013.

[SEAL]

_____

City Clerk

EXHIBIT A – FORM OF SERIES 2013 A BOND

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BOND, SERIES 2013 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per

annum specified above, semiannually, on _____ 1 and _____ 1, in each year, beginning _____ 1, 20____ (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each _____ 15 and _____ 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated the "City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2013, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2002 Bonds, (ii) to fund the Series 2013 A Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2013 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on _____, 2013, and supplemented by supplemental resolutions adopted by said Council on _____, 2013, and _____, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Clarksburg, West Virginia.

The Bonds of this issue are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Bonds maturing on or after _____, _____ are subject to redemption prior to maturity at the option of the Issuer on and after _____, _____, in whole or in part at any time, in such order of maturity as shall be designated to the Registrar by the Issuer and by lot within a maturity, at the following redemption prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price
_____ to _____	$_____
_____ to _____	$_____
_____ to _____	$_____

(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, are subject to annual mandatory redemption prior to maturity by random selection on _____ of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing

Year (___)	Principal Amount

Bonds Maturing

Year (___)	Principal Amount

_____
* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds

so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2013 A BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, AS FOLLOWS: (1) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850 (THE "SERIES 2001 A BONDS"); AND (2) WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED SEPTEMBER 28, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,885,764 (THE "SERIES 2004 A BONDS"), (COLLECTIVELY REFERRED TO HEREIN AS THE "PRIOR BONDS").

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to 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 and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2002 Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond and the income therefrom is, under the Act, exempt from all taxation by the State of West Virginia except inheritance, estate and transfer taxes.

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manager

ATTEST:

(Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: _____, 20____.

_____,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20_____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES AND OTHER TERMS OF THE WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO THE ORIGINAL PURCHASER; APPOINTING A REGISTRAR AND PAYING AGENT FOR SUCH BONDS; APPROVING CERTAIN AMENDMENTS TO THE BOND AUTHORIZING ORDINANCE FOR THE SERIES 2013 A BONDS AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, The City of Clarksburg (the "Issuer") in the County of Harrison, State of West Virginia, is a municipal corporation and political subdivision of said State, the governing body of which is its Council (the "Governing Body");

WHEREAS, the Governing Body has duly and officially enacted on March 7, 2013, an Ordinance (the "Ordinance") entitled:

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING WATER REFUNDING REVENUE BONDS, SERIES 2002 AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND THE COST OF FUNDING A DEBT SERVICE RESERVE FUND AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF WATER REFUNDING REVENUE BONDS, SERIES 2013 A OF THE CITY OF CLARKSBURG IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $10,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING

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

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

WHEREAS, the Ordinance provides for the issuance by the Issuer of its Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) in an aggregate principal amount not to exceed $10,000,000 (the "Series 2013 A Bonds" or "Bonds") in accordance with Chapter 8, Article 19 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Issuer is advised that current market conditions are such that interest savings would be realized from the current refunding of its outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds") and the Issuer has determined that it is currently in the best interest of its residents to currently refund the Series 2002 Bonds through the issuance of its Series 2013 A Bonds;

WHEREAS, the Ordinance further provided that the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Bonds should be established by Supplemental Resolution or by a Certificate of Determinations, that a Registrar, Paying Agent and Depository Bank be designated, that a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Registrar Agreement and an Official Statement be approved and that other matters pertaining to the Bonds be provided for by a Supplemental Resolution of the Governing Body or pursuant to a Certificate of Determinations, that additional covenants and provisions relating to the Bonds be provided therein, and that other matters pertaining to the Bonds be provided for by a supplemental resolution of this Governing Body or by Certificate of Determinations;

WHEREAS, the Bonds are proposed to be purchased by Crews & Associates, Inc., Morgantown, West Virginia (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the Issuer, and agreed to by the Clarksburg Water Board (the "Board") to be dated the date of execution thereof (the "Bond Purchase Agreement");

WHEREAS, the Governing Body has determined that, in order to obtain the best possible savings for the City in the current interest rate environment, the Mayor and City Manager shall be empowered and authorized to execute the Bond Purchase Agreement, within the parameters set forth herein, at such time as the Mayor and City Manager shall determine most advantageous to the Issuer, or not at all; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental parameters resolution (the "Supplemental Parameters Resolution") be adopted, that the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax and Non-Arbitrage Certificate, the Registrar Agreement and the Prepayment Agreement hereinafter

provided for be entered into by the Issuer, that the Preliminary Official Statement relating to the Bonds, hereinafter described, be approved, that the Mayor and City Manager be authorized to enter into the Bond Purchase Agreement within the parameters hereby approved by the Governing Body, and that other matters relating to the Bonds be herein provided for all in accordance with the Ordinance;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLARKSBURG:

SECTION 1. For the purposes of (i) paying the entire outstanding principal balance of and all accrued interest on the Issuer's outstanding Series 2002 Bonds, (ii) funding a debt service reserve account for the Series 2013 A Bonds, and (iii) paying costs of issuance of the Series 2013 A Bonds and related costs, the Governing Body of the Issuer hereby authorizes and orders the issuance of the Series 2013 A Bonds in an aggregate principal amount not to exceed $10,000,000, provided that the Net Present Value of the savings of such refunding shall not be less than 3.0%.

SECTION 2. Pursuant to the Ordinance and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2013 A Bonds. The Series 2013 A Bonds shall be issued in the aggregate principal amount not to exceed $10,000,000, bear interest at a rate not to exceed 6%, payable semiannually on March 1 and September 1 of each year, and shall mature on September 1 in such years, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates (with final maturity no later than September 1, 2019) shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor and City Manager pursuant to the execution and delivery by the Mayor and City Manager of a Certificate of Determinations with respect to the Bonds, dated the date of the Bond Purchase Agreement, the form of which is attached hereto as EXHIBIT A and approved hereby (the "Certificate of Determinations"); and shall be substantially in the form set forth in the Ordinance, provided however, that the specific terms of the Series 2013 A Bonds shall be as determined by the Mayor and City Manager at the time of the execution of the Bond Purchase Agreement and as approved by the Mayor and City Manager in the Certificate of Determinations. All other provisions relating to the Series 2013 A Bonds shall be as provided in the Ordinance.

SECTION 3. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, and agreed to by the Board, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Issuer and the President of the Board of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager of the Issuer and the President of the Board thereof shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager of the Issuer and the President of the Board shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the Issuer and the President of the Board. The execution of the Bond Purchase Agreement by the Mayor and City Manager of the Issuer and the President of the Board shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Bonds, including the payment of all necessary fees and expenses in connection therewith.

SECTION 4. Proceeds of the Bonds shall be expended solely for the purposes set forth in the Ordinance and in the Certificate of Determinations.

SECTION 5. The Issuer is advised and hereby finds that based upon the assumed principal amount, maturity schedule and interest rates for the Series 2013 A Bonds presented to the Issuer by the Original Purchaser, the Series 2013 A Bonds show a net present value debt service savings to the Issuer after deducting all expenses of the refunding of the Series 2002 Bonds and the costs of issuing the Series 2013 A Bonds.

SECTION 6. The Tax and Non-Arbitrage Certificate, to be dated the date of execution and delivery of the Bonds (the "Tax Certificate"), and executed and delivered by the Issuer, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Tax Certificate with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Tax Certificate by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 7. The Continuing Disclosure Agreement, to be dated the date of execution and delivery of the Bonds (the "Disclosure Agreement"), by and among the Issuer, the Board and the Dissemination Agent named therein, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery thereof (in multiple counterparts) by the Mayor and City Manager of the City and the President of the Board shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager of the City and the President of the Board shall execute and deliver the Disclosure Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager of the City and the President of the Board. The execution of the Disclosure Agreement by the Mayor and City Manager of the City and the President of the Board shall be conclusive evidence of any approval required by this Section.

SECTION 8. The distribution by the Original Purchaser of a Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), substantially in the form submitted to this meeting is hereby ratified and approved. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor and City Manager is hereby approved. The Official Statement to be substantially in the form of the Preliminary Official Statement, (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor and City Manager of the Issuer and the President of the Board) and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The Mayor and City Manager of the Issuer and the President of the Board shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved. The execution of the Official Statement by the Mayor and City Manager of the Issuer and the President of the Board shall be conclusive evidence of any approval required by this Section.

SECTION 9. The Registrar Agreement by and between the Issuer and the Registrar designated herein, substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Registrar Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 10. The Prepayment Agreement by and among the Issuer, the West Virginia Municipal Bond Commission, as paying agent for the Series 2002 Bonds and the Series 2013 A Bonds, and the Registrar designated herein (the "Prepayment Agreement"), substantially in the form to be approved pursuant to the execution and delivery by the Mayor and City Manager of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Prepayment Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Prepayment Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 11. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Bonds.

SECTION 12. The firm of Crews & Associates, Inc., Morgantown, West Virginia, is hereby appointed as the Underwriter and Original Purchaser of the Series 2013 A Bonds.

SECTION 13. The Issuer hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia, as the Paying Agent for the Series 2013 A Bonds and the Escrow Agent for the current refunding and redemption of the Series 2002 Bonds.

SECTION 14. The Issuer hereby appoints and designates WesBanco Bank, Inc., Clarksburg, West Virginia, as the Depository Bank for the Bonds.

SECTION 15. The Issuer hereby appoints and designates WesBanco Bank, Inc., Wheeling, West Virginia, as the Registrar for the Bonds.

SECTION 16. The Mayor, City Manager and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates, required or desirable in connection with the Bonds to the end that the Bonds may be delivered on a timely basis to the Original Purchaser pursuant to the Bond Purchase Agreement.

SECTION 17. The notice addresses for the Depository Bank, Paying Agent, Registrar and Original Purchaser shall be as follows:

DEPOSITORY BANK

WesBanco Bank, Inc.
140 West Main Street
Clarksburg, West Virginia 26301
Attention: Branch Manager

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attention: Executive Director

REGISTRAR

WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Corporate Trust Department

ORIGINAL PURCHASER

Crews & Associates, Inc.
150 Clay Street, Suite 410
Morgantown, West Virginia 26501

SECTION 18. The issuance of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

SECTION 19. The Issuer hereby covenants and agrees that it will not permit at any time or times any of the proceeds of the Series 2013 A Bonds or any other funds of the Issuer to be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Series 2013 A Bonds or Prior Bonds to be an "arbitrage bond" as defined in Section 148 of the Code, and the regulations promulgated pursuant thereto. The Mayor and City Manager of the Issuer are authorized and directed to execute and deliver such further instruments or agreements as shall be required to provide further assurances of the Issuer's compliance with this covenant.

SECTION 20. The Tax Compliance Policy attached hereto as Exhibit B is hereby approved and adopted for the use in connection with the Series 2013 A Bonds.

SECTION 21. The Mayor, City Manager and City Clerk, and all other appropriate officers and employees of the Issuer are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Series 2013 A Bonds to be duly and properly issued by the Issuer and delivered to the Original Purchaser as herein authorized and to otherwise facilitate the transaction contemplated by this Supplemental Parameters Resolution, and no

further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

SECTION 22. Section 6.04 of the Ordinance is hereby amended so as to read in its entirety as follows.

Section 6.04. Rates. Prior to the issuance of the Series 2013 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder.

So long as the Series 2013 A Bonds are outstanding, the Board covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Ordinance and in compliance with this Ordinance. In the event the schedule of rates and charges currently in effect for the System shall prove to be insufficient to produce the required sums set forth in this Ordinance, the Board 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 and charges and take all such actions necessary to prove funds sufficient to produce the required sums set forth in this Ordinance. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer and the Board hereby covenant and agree that so long as the Prior Bonds are outstanding, the schedule or schedules of rates and charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as herein set forth, and thereafter such rates shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2013 A Bonds, and all obligations issued on a parity with the Series 2013 A Bonds, including the Prior Bonds. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Board, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia with all requisite appeal periods having expired (without

successful appeal), whether or not such approved rates are being charged and collected by the Board.

The Board covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Accountant that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage. The City covenants to take all actions which may be required, necessary or helpful on its part to facilitate the actions of the Board as provided in this paragraph.

SECTION 23. Section 6.06 of the Ordinance is hereby amended so as to read in its entirety as follows:

Section 6.06. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer and the Board shall not sell, mortgage, lease or otherwise dispose of or encumber the System except as provided in the Prior Ordinances. Additionally, so long as the Series 2013 A Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, or to defease the pledge created by this Ordinance and the Prior Ordinances except as provided below. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the respective Sinking Funds, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Board by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Board and the Issuer shall have and hereby reserve the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of $500,000, the Issuer and the Board shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $500,000 but not in excess of $5,000,000, the Issuer and the Board shall first, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer and the Board may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $500,000 and not in excess of $5,000,000, shall be deposited by the Board into the Renewal and Replacement Fund. Such payments of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer or the Board if the proceeds to be derived therefrom shall be in excess of $5,000,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer or the Board 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 24. Section 6.08 of the Ordinance is hereby amended so as to read in its entirety as follows:

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no Additional Parity Bonds, as in this section defined, payable out of the revenues of the System shall be issued after the issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

No such Additional Parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, or refunding the Prior Bonds, to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

So long as the Series 2013 A Bonds are Outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the two Fiscal Years following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission

of West Virginia with the time for all available appeals having expired (without successful appeal) prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the Board.

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

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

No Additional Parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance and the Prior Ordinances on account of the Bonds then Outstanding, if any (excluding the Renewal and Replacement Fund), and any other payments provided for in this Ordinance and the Prior Ordinances shall have been made in full as required to the date of delivery of the Additional Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and the Prior Ordinances.

Provided, however, that when the Prior Bonds are no longer outstanding or in the event that the registered owners of the Prior Bonds waive the applicability of certain covenants contained in the Prior Ordinances, if the most recent audit by an independent certified public accountant for the Issuer or the Board for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the Issuer or the Board was not in compliance with the rate covenant in Section 6.04 of this Ordinance for the year being audited and the Board has, as required by Section 6.04, enacted a rate ordinance for which all applicable appeal periods shall have expired (without successful appeal) implementing a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the Issuer from issuing Additional Parity Bonds under this Section 6.08.

SECTION 25. This Supplemental Parameters Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Blank]

Adopted this 21st day of March, 2013.

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

[SEAL]

Attest:

_____
City Clerk

CERTIFICATION

Certified a true copy of a Supplemental Parameters Resolution duly adopted by the Council of the CITY OF CLARKSBURG on March 21, 2013, which Supplemental Parameters Resolution has not been repealed, rescinded, modified, amended or revoked, as of the date hereof.

Dated this _____ day of _____, 2013.

By: _____
City Clerk

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

CERTIFICATE OF DETERMINATIONS

The undersigned, Patsy Trecost, Mayor and Martin Howe, City Manager of the City of Clarksburg (the "Issuer") and the undersigned President of the Clarksburg Water Board (the "Board"), in accordance with the Bond Ordinance enacted by the Issuer on March 7, 2013, as supplemented and amended by the Supplemental Parameters Resolution adopted by the Issuer on March 21, 2013 (collectively, the "Bond Ordinance"), and in accordance with the Supplemental Parameters Resolution adopted by the Board on March 26, 2013 (the "Board Resolution"), with respect to the Issuer's Water Refunding Revenue Bonds, Series 2013 A (the "Series 2013 A Bonds"), hereby finds and determines this ____ day of _____, 2013 as follows:

1. The Series 2013 A Bonds shall be dated _____, 2013, shall bear interest payable on March 1 and September 1 of each year commencing _____ 1, 20___.

2. The Series 2013 A Bonds shall be issued in the aggregate principal amount of $_____, which does not exceed the $10,000,000 maximum principal amount authorized pursuant to the Bond Ordinance and the Board Resolution. The interest rates on the Series 2013 A Bonds set forth in Schedule 1 attached hereto do not exceed 6%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The Net Present Value of the savings realized from such refunding is not less than 3%.

3. The Series 2013 A Bonds shall mature in the amounts and on the dates and shall be subject to [mandatory sinking fund redemption] in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2013 A Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2013 A Bonds shall be subject to optional redemption as set forth on Schedule 2 attached hereto and incorporated herein.

6. The Series 2013 A Bonds shall be sold to Crews & Associates, Inc. (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and

between the Underwriter and the Issuer, and agreed to by the Board, at an aggregate purchase price of $_____(representing par value less an Underwriter's discount of $_____and less an original issue discount of $_____).

7. The forms of the Bond Purchase Agreement, the Tax Certificate, the Continuing Disclosure Agreement, the Official Statement, the Rule 15c2-12 Certificate and the Registrar Agreement attached hereto are hereby approved by the Issuer.

8. The forms of the Bond Purchase Agreement, Continuing Disclosure Agreement and the Official Statement attached hereto are hereby approved by the Board.

The undersigned hereby certify that the foregoing terms and conditions of the Series 2013 A Bonds are within the parameters prescribed by the Bond Ordinance, and the Series 2013 A Bonds may be issued with such terms and conditions as authorized by the Bond Ordinance.

[Remainder of Page Intentionally Blank]

WITNESS our signatures the day and year first written above.

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

CLARKSBURG WATER BOARD

By: _____
Its: President

SCHEDULE 1

SERIES 2013 A BOND TERMS

Bond No.	Maturity Date (September 1)	Principal Amount	Interest Rate	Yield	CUSIP
AR-1	2013	$ 475,000	1.000%	0.600%	182072 DA3
AR-2	2014	$1,520,000	1.100%	1.100%	182072 DB1
AR-3	2015	$1,535,000	1.350%	1.350%	182072 DC9
AR-4	2016	$1,560,000	1.650%	1.650%	182072 DD7
AR-5	2017	$1,585,000	2.000%	2.000%	182072 DE5
AR-6	2018	$1,620,000	2.200%	2.200%	182072 DF2
AR-7	2019	$ 925,000	2.200%	2.200%	182072 DG0

SCHEDULE 2

SERIES 2013 A BONDS REDEMPTION PROVISIONS:

Optional Redemption

Mandatory Redemption

EXHIBIT B

TAX COMPLIANCE POLICIES

Purpose

Governmental issuers of tax-exempt and tax-credit bonds must comply with certain federal tax rules pertaining to expenditure of proceeds for qualified costs, rate of expenditure, use of bond financed property, investment of proceeds in compliance with arbitrage rules, and retention of records. The following policies are intended to establish compliance by the City of Clarksburg, West Virginia (the *"Issuer"*), as the issuer, with these rules in connection with the issuance of the Issuer's Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "*Tax-Exempt Bonds*"). It is understood and agreed by the Issuer, and the Issuer has covenanted to take all actions necessary to maintain the Tax-Exempt Bonds as tax-exempt state and local bonds.

Tax Requirements Associated with Sale and Issuance of Bonds

Review and retention of tax documents related to the sale and issuance of Bonds will be supervised by the City Finance Director or his designee (the "*Oversight Officer*").

- Form 8038-G (tax exempt bonds) will be reviewed and filed not later than the 15th day of the 2nd calendar month following the quarter in which the bonds were issued. Filing of appropriate version or versions of Form 8038-G will be confirmed with bond counsel.

Expenditure of Proceeds for Governmental Costs

Expenditure of bond proceeds will be reviewed by the Oversight Officer.

- Bond proceeds will be disbursed pursuant to the Bond Ordinance, and will be a written order of an Authorized Officer, stating the date, amount and purpose of the disbursement.

- Requisitions must identify the financed property in conformity with the Tax and Non-Arbitrage Certificate executed by the Issuer at closing, including any certifications as to the character and average economic life of the bond-financed property.

- Requisitions for costs that were paid prior to the issuance of the bonds are, in general, limited to costs paid subsequent to, or not more than 60 days prior to, the date a "declaration of intent" to reimburse the costs was adopted by the City. If proceeds are used for reimbursement, a copy of the declaration will be obtained and included in the records for the Tax-Exempt Bonds, if not already part of the bond transcript.

- Requisitions will be in accordance with expectations to spend or commit 5% of net sale proceeds within 6 months, to spend 85% of net sale proceeds within 3 years, and to proceed with due diligence to complete the project and fully spend the net sale proceeds. Expected expenditure schedules, project timelines, and plans and specifications will be maintained to support expectations. Reasons for failure to meet the expected schedule will be documented and retained in the records for the Tax-Exempt Bonds.

- If the 18-month spending exception to rebate applies, expenditure of gross proceeds will be monitored against the following schedule for the arbitrage rebate exception for the issue, if applicable:

  15% within 6 months
  60% within 12 months
  100% within 18 months

- If the 2-year spending exception to rebate applies, expenditure of "available construction proceeds" will be monitored against the following schedule for the arbitrage rebate exception for construction issues if applicable:

  10% within 6 months
  45% within 12 months
  75% within 18 months
  100% within 24 months

Expenditure of Proceeds

In addition to the general review of expenditures described above, expenditure of proceeds of the Tax-Exempt Bonds will be reviewed by the Oversight Officer.

- Reserve funds cannot exceed the least of 10% of bond proceeds, maximum annual debt service, or 125% of average annual debt service. The initial funding of any reserve fund will be measured against this limit.

- Only a small portion (5%) of the proceeds of Tax-Exempt Bonds can be used for operating expenses or other "working capital" costs. Requisitions for costs of the Project will accordingly be monitored to confirm that they are for capital costs of the Project.

- Investment earnings on sale proceeds of the Tax-Exempt Bonds will be tracked and will be requisitioned only for appropriate expenditures.

Use of Bond-Financed Property

Use of bond-financed property when completed and placed in service will be reviewed by the Oversight Officer.

- Average nonexempt use of bond-financed property over the life of the issue cannot exceed 10% of the proceeds.

- Agreements with business users or non-profit organizations for lease or management or services contracts, sponsored research, naming rights or any other potential nonexempt use of bond-financed property will be reviewed prior to execution of any contract to determine if property subject to the Bond Ordinance is bond-financed.

- Agreements with business users or other non-profit organizations for lease or management or services contracts or other private business use involving bond-financed property will be tracked and aggregated with other private business uses for compliance with the 10% limit, as set forth in the Tax and Non-Arbitrage Certificate.

- No item of bond-financed property will be sold or transferred to a nonexempt party without advance arrangement of a "remedial action" under the applicable Income Tax Regulations.

Investments and IRS Filings

Investment of bond proceeds in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Oversight Officer.

- Guaranteed investment contracts ("*GIC*") will be purchased only using the three-bid "safe harbor" of applicable Income Tax Regulations, in compliance with fee limitations on GIC brokers in the Income Tax Regulations.

- Other investments will be purchased only in market transactions.

- Calculations of rebate liability will be performed annually by outside consultants.

- Rebate payments will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance and (b) the final retirement of the issue. Compliance with rebate requirements will be reported to the bond trustee and the issuer.

- Identify date for first rebate payment at time of issuance. Enter in records for the issue.

Records

Management and retention of records related to tax-exempt bond issues will be supervised by the Oversight Officer.

- Records will be retained for the life of the bonds plus any refunding bonds plus three years. Records may be in the form of documents or electronic copies of

documents, appropriately indexed to specific bond issues and compliance functions.

- Retainable records pertaining to the Tax-Exempt Bonds include transcript of documents executed in connection with the issuance of the bonds (including authorizing resolutions, Bond Ordinance, Form 8038-G, and Tax and Non-Arbitrage Certificate) and any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T.

- Retainable records pertaining to expenditures of bond proceeds include requisitions, accounting statements and final allocation of proceeds.

- Retainable records pertaining to use of property include all agreements reviewed for nonexempt use and any reviewed documents relating to unrelated business activity.

- Retainable records pertaining to investments include GIC documents under the Income Tax Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

Overall Responsibility

Overall administration and coordination of this policy is the responsibility of the Oversight Officer.

CITY OF CLARKSBURG, WEST VIRGINIA

_____

By: City Manager

_____

By: Mayor

Date: _____, 2013

APPENDIX G

BOOK-ENTRY ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of City or Agent, disbursement of such payments to Direct Participants will be the responsibility of

DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that City believes to be reliable, but City takes no responsibility for the accuracy thereof.

APPENDIX H

ANNUAL DEBT SERVICE FOR PRIOR BONDS AND SERIES 2013 A BONDS

The following table sets forth for each fiscal year during which the 2013 A Bonds will be outstanding the amounts payable from Gross Revenues as principal of and interest on the Prior Bonds and the 2013 A Bonds.

Date	2001*	2004*	2013 Principal	2013 Interest	Total
6/30/2013	32,588.78	144,612.60	475,000.00	53,473.09	705,674.47
6/30/2014	144,909.73	149,165.94	1,520,000.00	149,252.50	1,963,328.17
6/30/2015	144,909.73	149,055.31	1,535,000.00	132,532.50	1,961,497.54
6/30/2016	144,909.73	148,939.14	1,560,000.00	111,810.00	1,965,658.87
6/30/2017	144,909.74	148,817.16	1,585,000.00	86,070.00	1,964,796.90
6/30/2018	144,909.74	148,689.09	1,620,000.00	54,370.00	1,967,968.83
6/30/2019	144,909.75	148,554.61	925,000.00	20,350.00	1,238,814.36
6/30/2020	144,909.73	148,413.42	-	-	293,323.15
6/30/2021	144,909.73	148,265.15	-	-	293,174.88
6/30/2022	108,682.31	148,109.48	-	-	256,791.79
6/30/2023	-	147,946.02	-	-	147,946.02
6/30/2024	-	147,774.39	-	-	147,774.39

*Principal and Interest

$9,220,000
CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS
SERIES 2013 A

BOND PURCHASE AGREEMENT

April 9, 2013

City of Clarksburg
222 W. Main Street
Clarksburg, West Virginia 26301

Clarksburg Water Board
1001 S. Chestnut St.
Clarksburg, West Virginia 26301

Ladies and Gentlemen:

Crews & Associates, Inc. (the "Underwriter"), offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with the City of Clarksburg, West Virginia (the "City") and with the agreement of the Clarksburg Water Board (the "Board") for the purchase of the City's Water Refunding Revenue Bonds, Series 2013 A (the "Bonds"). This offer is made subject to acceptance and execution of this Purchase Agreement by the City prior to 11:59 p.m., local prevailing time on the date hereof, or until withdrawn by the Underwriter upon written notice to the City as permitted herein, whichever shall occur earlier. Upon such acceptance and approval, as evidenced by the signature of the Mayor or the City Manager of the City and agreed to by the President of the Board in the space provided below, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Underwriter. All capitalized terms used in this Purchase Agreement and not otherwise defined herein shall have the meanings set forth in the hereinafter described Ordinance.

The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the City and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent or fiduciary of the City, (iii) the

Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters), (iv) the Underwriter has no obligation to the City with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement, and (v) the City and Board have consulted their own legal, financial and other advisors to the extent they have deemed appropriate.

1. The Bonds are being issued, along with other available funds: (i) to finance the costs of currently refunding the City's Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000, of which $10,515,000 is outstanding (the "Series 2002 Bonds; (ii) to fund the Series 2013 A Bonds Reserve Account; and (iii) to pay costs of issuance of the Bonds and related costs.

The Bonds shall be as described in, and shall be issued and secured under and pursuant to the provisions of the Ordinance enacted by the City Council of the City on March 7, 2013 (the "Original Ordinance") and as supplemented by a Supplemental Resolution adopted by the City Council of the City on March 21, 2013 (the "Supplemental Resolution" and together with the Original Ordinance, the "Ordinance"), and a Certificate of Determinations, signed by the Mayor and City Manager of the City and the President of the Board, dated March 26, 2013. The Bonds shall be secured by the Gross Revenues derived by the City from the operation by the Board of its waterworks system (the "System") and the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein.

Upon the terms and conditions and upon the basis of the representations and warranties set forth in this Purchase Agreement, the Underwriter agrees to purchase from the City, and the City agrees to sell to the Underwriter, the Bonds, at an aggregate purchase price of $8,990,155.50 ($9,220,000.00 minus Underwriter's discount of $230,500.00 and plus an original issue premium of $665.50).

The Bonds shall mature on the dates and in the amounts, and shall bear interest from their date, until maturity or until the date fixed for redemption if the Bonds are called for prior redemption and payment on such date provided therefore, payable semiannually on March 1 and September 1 (each an "Interest Payment Date"), commencing September 1, 2013, as more fully described on Exhibit A attached hereto and incorporated herein by reference.

The Underwriter agrees to make a bona fide public offering of the Bonds at the initial offering prices as set forth in the Official Statement (as hereinafter defined) and in Exhibit A, which prices may be changed from time to time by the Underwriter.

2. Concurrently with the acceptance of this Purchase Agreement by the City and the Board, the City shall deliver or cause to be delivered to the Underwriter three copies of the Official Statement relating to the Bonds, substantially in the form of the Preliminary Official Statement, dated April 2, 2013 (the "Preliminary Official Statement"), and prior to delivery of the Bonds, seven copies of the Official Statement (the "Official Statement") dated the date of this Purchase Agreement, signed on behalf of the City by its Mayor and City Manager and by the President of the Board as requested below.

3. The Official Statement has been approved for distribution by the Ordinance. The City authorizes the use of copies of the Official Statement and the Ordinance in connection with the public offering and sale of the Bonds.

On April 2, 2013, the City delivered to the Underwriter the Preliminary Official Statement and the Underwriter received a certificate from the City which deemed the Preliminary Official Statement "final" within the meaning of clause (b)(1) of Rule 15c2-12 ("Rule 15c2-12") under the Securities and Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) and Rule G-32 and all other rules of the Municipal Securities Rulemaking Board. The City shall deliver or cause to be delivered to the Underwriter, after the acceptance by the City of this Purchase Agreement, and within the time required by Rule 15c2-12, an adequate number of copies of the Official Statement.

Unless otherwise notified in writing by the Underwriter on or prior to the date of Closing, the "End of the Underwriting Period" for the Bonds for all purposes of Rule 15c2-12 is the date of the Closing, as hereinafter defined. In the event such notice is given in writing by the Underwriter, the Underwriter agrees to notify the City in writing following the occurrence of the End of the Underwriting Period for the Bonds as defined in Rule 15c2-12.

The City covenants and agrees that if, after the date of this Purchase Agreement and until after the End of the Underwriting Period (as determined above), any event shall occur of which the City has actual knowledge as a result of which it is necessary to amend or supplement the Official Statement to make the Official Statement not misleading in any material respect in light of the circumstances then existing, or if it is necessary to amend or supplement the Official Statement to comply with law, to notify the Underwriter (and for the purposes hereof to provide the Underwriter with such information as they may from time to time reasonably request), and to cooperate in the preparation of a reasonable number of copies of either amendments or supplements to the Official Statement (in form and substance satisfactory to the Underwriter and its counsel) at the expense of the City so that the Official Statement as so amended and supplemented will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances

existing at the time the Official Statement is delivered to a purchaser, not misleading in any material respect.

For the purposes of this paragraph and for only so long as required by this paragraph, the City and the Board will furnish such information with respect to themselves as the Underwriter from time to time reasonably requests. The Underwriter hereby agrees that it will deposit or cause to be deposited with the Municipal Securities Rulemaking Board a copy of the Official Statement at or prior to the time contemplated by Rule 15c2-12.

The Underwriter acknowledges and agrees that any liability of the City or the Board that may arise from its representations and agreements made in this paragraph 3 shall be limited to the proceeds of the Bonds (provided that the foregoing shall not be deemed to prevent the Underwriter, the City or the Board from seeking to enforce such agreements).

4. At 10:00 a.m. prevailing time, on April 26, 2013, or such other dates as shall be agreed upon by the parties to this Purchase Agreement (the "Closing"), the City will deliver or cause to be delivered to the Underwriter, (a) the Bonds in the form of one certificate for each maturity fully registered in the name of CEDE & CO., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), duly executed by the City and authenticated by the Registrar, and (b) at such other place as we mutually agree upon, will deliver to the Underwriter the other documents required in this Purchase Agreement and by the Ordinance. Upon such delivery of the Bonds, the Underwriter will accept such delivery and pay the purchase price therefor, plus any accrued interest thereon, in immediately available funds to the order of the Depository Bank, for the account of the City. Such delivery shall be made at DTC, with the payment and other requisite actions to be taken at the place designated by the parties to this Purchase Agreement. The Bonds shall be made available to the Underwriter at DTC at least forty-eight (48) hours before the Closing for the purpose of inspection and packaging; provided that if DTC Fast delivery is used, then the Bonds shall be made available to the Registrar by 4:00 p.m. on April 23, 2013. If the City does not have a Blanket DTC Letter of Representation (the "DTC Letter of Representations"), the City agrees to provide one to DTC.

5. The City represents and warrants to the Underwriter and agrees that:

(a) The City is a political subdivision and municipal corporation of the State of West Virginia in Harrison County of said State. The Board has been duly authorized to operate and maintain the System and establish rates for the System. The Bonds are being issued pursuant to the Constitution and laws of the State of West Virginia (the "State"), specifically, Chapter 8, Article 19 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act");

(b) The City shall have complied and will comply at the Closing in all respects with all applicable statutes and laws, including the Act;

(c) The City has full legal right, power and authority to issue bonds for purposes provided in the Ordinance and to enter into this Purchase Agreement, to enact the Ordinance and to issue, sell and deliver the Bonds to the Underwriter as provided herein and to carry out and consummate all other transactions contemplated by each of the aforesaid documents;

(d) The information contained in the Preliminary Official Statement dated April 2, 2013, and in the Official Statement, is and, as of the Closing Date (as hereinafter defined), will be, to the best knowledge of the City, true and to the best knowledge of the City does not contain and will not contain any untrue statement of a material fact and does not omit and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(e) At the time of the City's acceptance hereof and (unless an event occurs of the nature described in subparagraph (i)) at all times during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the respective series of Bonds (as determined in accordance with subparagraph (i) hereof), to the best knowledge of the City, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(f) If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the respective series of Bonds (as determined in accordance with subparagraph (i) hereof), the Official Statement as so supplemented or amended, to the best knowledge of the City will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(g) If during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds (as determined in accordance with subparagraph (i) hereof) any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact necessary to make the statements therein, in the light of

the circumstances under which they were made, not misleading, the City shall notify the Underwriter of any such event of which it has knowledge and, if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will prepare and furnish to the Underwriter (i) a reasonable number of copies of the supplement or amendment to the Official Statement in form and substance approved by the City and acceptable to the Underwriter, and (ii) if such notification shall be subsequent to the Closing, such legal opinion, certification, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement;

(h) Prior to the City's acceptance hereof, the City delivered to the Underwriter copies of the Preliminary Official Statement which the City deemed final (for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934) as of the date thereof; provided, however, that in making the representation and warranty contained in this paragraph (h) the City shall not be deemed to have made any additional representation or warranty as to the Preliminary Official Statement other than the representation and warranty contained in paragraph (e);

(i) For purposes of this Purchase Agreement, the End of the Underwriting Period for the respective series of Bonds shall mean the earlier of (a) the day of the Closing unless the City has been notified in writing by the Underwriter, on or prior to the day of the Closing, that the End of the Underwriting Period for the respective series of Bonds for all purposes of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the "Rule") will not occur on the day of the Closing, or (b) the date on which notice is given to the City by the Underwriter in accordance with the following sentence. In the event that the Underwriter has given notice to the City pursuant to clause (a) above that the End of the Underwriting Period for the respective series of Bonds will not occur on the day of the Closing, the Underwriter agrees to notify the City in writing as soon as practicable following the "end of the underwriting period" for the respective series of Bonds for all purposes of the Rule;

(j) At or prior to the Closing, the City and the Board shall have duly authorized, executed and delivered a written continuing disclosure undertaking (an "Undertaking") which complies with the provisions of Rule 15c2-12(b)(5) and which shall be substantially in the form described in the Preliminary Official Statement;

(k) The City has duly authorized all necessary action to be taken by it for: (1) the issuance and sale of the Bonds upon the terms set forth herein, in the Ordinance and in the Official Statement; (2) the execution and delivery of the Ordinance and the Undertaking; (3) the approval of the Official Statement and the execution, distribution and delivery of the Official Statement by the Mayor and City Manager of the City; (4) the execution, delivery, receipt and

due performance of this Purchase Agreement, the Bonds, the Undertaking, the Ordinance and any and all such other agreements and documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and (5) the carrying out, giving effect to and consummation of the transactions contemplated hereby and by the Ordinance and the Official Statement;

(l) When delivered to and paid for by the Underwriter in accordance with the terms of this Purchase Agreement, the Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and binding obligations of the City payable solely from the Gross Revenues of the System and moneys pledged therefor under the Ordinance and will be entitled to the benefit of the Ordinance. Neither the credit nor the taxing power of the City shall be deemed to be pledged to, nor shall a tax ever be levied for the payment of the principal of, premium, if any, or the interest on the Bonds;

(m) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to our knowledge, threatened against or affecting the City (or, to our knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity of the Bonds, the Ordinance, the Undertaking, this Purchase Agreement or any agreement or instrument to which you are a party and which is used or contemplated hereby or by the Official Statement or the validity of the Bonds, the Ordinance, this Purchase Agreement or any agreement or instrument to which you are a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement;

(n) The execution and delivery of the Official Statement, this Purchase Agreement, the Bonds, the Undertaking, the Ordinance and the other agreements contemplated hereby and by the Official Statement, and compliance with the provisions thereof, to the best of their knowledge following appropriate inquiry, will not conflict with or constitute on the City's part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the City is subject or by which the City is or may be bound, and to our knowledge all consents, approvals, authorizations and orders of governmental or regulatory authorities which are required for the consummation of the transactions contemplated thereby have been obtained;

(o) The City has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the City is a bond issuer whose arbitrage certifications may not be relied upon;

(p) All financial statements of the Board included as a part of the Preliminary Official Statement and the Official Statement (the "Financial Statements"), fairly present the financial condition of the System as of the respective dates and the results of its operations for the respective periods therein set forth and have been prepared when so indicated in accordance with generally accepted accounting principles consistently applied and since the respective most recent dates as of which information is given in the Preliminary Official Statement or the Official Statement, there has not been any material change in the long-term debt of the City or the Board or any material adverse change in the general affairs, management, financial position, or results of operations of the System and no material transactions or obligations other than in the ordinary course of business have been entered into with respect to the System by the City or the Board, except as reflected in or contemplated by the Official Statement; and; provided that only the Board makes any representations herein as to the Financial Statements;

(q) Any certificate signed by the Mayor and City Manager of the City or any of the City's authorized officers and delivered to the Underwriter shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein. It is understood that the representations, warranties and covenants by the City contained in this Section 5 and elsewhere in this Purchase Agreement shall not create any general obligation or liability of the City, and that any obligation or liability of the City hereunder or under the Ordinance will be payable solely out of the Gross Revenues and other income, charges and moneys derived by the City or the Board from, or in connection with the System, nor shall any member, official or employee of the City or the Board be personally liable therefor.

6. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the City and the Board made herein. The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following further conditions:

(a) At or prior to the time of the Closing, the Ordinance and the Undertaking, as approved by the Underwriter or its counsel, shall have been approved by the appropriate parties, shall have been duly executed, acknowledged, sealed and delivered, shall be in full force and effect and shall not have been amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriter;

(b) The Underwriter shall have the right to cancel its obligations hereunder to purchase the Bonds (such cancellation shall not constitute a default hereunder) by notifying the City in writing of its election to do so between the date hereof and the Closing Date, if at any time hereafter and prior to the Closing Date:

(i) Any legislation, rule or regulation shall be introduced in, or enacted by, the United States House of Representatives or the United States Senate or any committee thereof, or a decision by a court established under Article III of the Constitution of the United States of America, or the Tax Court of the United States, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made or proposed, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds;

(ii) Any legislation, ordinance, rule or regulation shall be introduced in or enacted by any governmental body, department or agency of the State of West Virginia or political subdivision thereof, or a decision by any court of competent jurisdiction within the State of West Virginia shall have been rendered which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds;

(iii) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other government agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering for sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all the underlying obligations, as contemplated hereby or by the Official Statement, is in violation of any provisions of the Securities Act of 1933, as amended and as then in effect, or the registration provisions of the Securities and Exchange Act of 1934, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(iv) Any event shall have occurred or information become known which, in the Underwriter's reasonable opinion, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement or the Underwriter shall have determined that the Preliminary Official Statement or the Official Statement contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(v) A general banking moratorium shall have been established by Federal, New York State or West Virginia authorities;

(vi) In the reasonable opinion of the Underwriter, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, has been adversely affected because (1) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, (2) the New York Stock Exchange, other

national securities exchange or any governmental authority shall have imposed as to the Bonds or similar obligations any material restrictions not now in force, or increased materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter, or (3) war or any outbreak of hostilities or other national or international calamity or crisis shall have occurred or any armed conflict shall have occurred or escalated to such a magnitude as in the reasonable opinion of the Underwriter to have a materially adverse effect on the ability of the Underwriter to market the Bonds; or

(vii) There shall have been any materially adverse change in the affairs of the City or the Board; and

(c) At or prior to the Closing, the Underwriter and the City shall receive the following documents, in each case in form and substance satisfactory to us and our counsel:

(i) An opinion, dated the date of the Closing and addressed to the City and the Underwriter, of Steptoe & Johnson PLLC, Bond Counsel, in substantially the form attached as Appendix D to the Official Statement;

(ii) A supplemental bond counsel opinion, dated the date of the Closing and addressed to the Underwriter, of Steptoe & Johnson PLLC, Bond Counsel, to the effect that (i) this Purchase Agreement has been duly authorized, executed and delivered by, and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of, the City; (ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Ordinance is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; (iii) the statements contained in the Official Statement under the caption "Tax Matters" are true and accurate in all material respects and presents a fair and accurate summary and description of the matters summarized and described under such caption; and (iv) nothing has come to their attention which would lead them to believe that the statements contained in the Official Statement under the captions "Security for the Series 2013 A Bonds," "The Series 2013 A Bonds" (except for the statements referred to therein under "Appendix G - Book-Entry Only System" with respect to The Depository Trust Company), "Financing Plan," "Appendix D – Form of Opinion of Bond Counsel," "Appendix F – Form of Ordinance and Supplemental Parameters Resolution" insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, do not present fairly in all material respects the matters referred to therein;

(iii) An opinion, dated the date of Closing and addressed to the Underwriter, of Young, Morgan & Cann PLLC, City Attorney, to the effect that (i) the City is a

political subdivision and municipal corporation of the State of West Virginia, (ii) the City has complied with all requirements of the Act that must be satisfied in connection with the issuance of the Bonds, (iii) no litigation is pending, or to their knowledge, threatened in any court in any way affecting the existence of the City or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance or delivery of the Bonds, or the collection of Gross Revenues of the System pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Ordinance or this Purchase Agreement, or contesting the powers of the City with respect to the Bonds, the Ordinance, the Undertaking or this Purchase Agreement or any transaction described in or contemplated by the Official Statement, (iv) that the Official Statement, as amended or supplemented to the date of Closing (except as aforesaid) contains no untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein regarding the City, in light of the circumstances under which they were made, not misleading, and (v) the statements contained in the Official Statement under the captions "Absence of Material Litigation," and "Financing Plan," insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, are accurate and present a fair summary of the matters referred to therein;

(iv) An opinion, dated the date of Closing and addressed to the Underwriter, of Kay, Casto & Chaney PLLC, Counsel to the Board, to the effect that (i) the Board has been legally constituted and has all power and authority to operate the System, (ii) the Board has the power and authorization to set and enforce rates and that the rates and charges enacted by the Board on July 27, 2010, are in full force and effect and not subject to appeal, (iii) no litigation is pending, or to their knowledge, threatened in any court in any way affecting the existence of the Board or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the collection of Gross Revenues of the System pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Ordinance, the Undertaking or this Purchase Agreement, or contesting the powers of the Board with respect to this Purchase Agreement or any transaction described in or contemplated by the Official Statement, (iv) that the Official Statement contains no untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein regarding the Board, in light of the circumstances under which they were made, not misleading, and (v) the statements contained in the Official Statement under the captions "The System," "Absence of Material Litigation," "Financing Plan," and "Appendix B—The System," insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, are accurate and present a fair summary of the matters referred to therein;

(v) Two counterpart originals of a transcript of all proceedings relating to the authorization and issuance of the Bonds;

(vi) An opinion, dated the date of the Closing and addressed to the Underwriter, of Jackson Kelly PLLC, Underwriter's Counsel, to the effect that (i) this Purchase Agreement has been duly authorized, executed and delivered by, and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of, the Underwriter; (ii) the Continuing Disclosure Agreement complies as to form in all material respects with the requirements of paragraph (b)(5) of the Rule; and (iii) with respect to the Official Statement that no facts have come to their attention that the Official Statement contains any untrue statements of a material fact or omits to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(vii) A certificate, satisfactory to the Underwriter, of the Mayor and City Manager of the City or any other of your duly authorized officers satisfactory to the Underwriter, dated as of the Closing, to the effect that: (i) you have duly performed all of your obligations to be performed at or prior to the Closing and that each of your representations and warranties contained herein are true as of Closing, (ii) you have authorized, by all necessary action, the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Ordinance and any and all such other agreements and documents as may be required to be executed, delivered and received by you in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, (iii) to your knowledge no litigation is pending, or to your knowledge threatened, to restrain or enjoin the collection of the Gross Revenues, the pledge of the Gross Revenues to the Bonds, the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds or the Ordinance, (iv) to the best of their knowledge following appropriate inquiry, the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Ordinance and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and your compliance with the provisions thereof will not conflict with or constitute on your part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which you are subject or by which you are or may be bound and (v) they are aware of no material non-compliance with the covenants in all outstanding ordinances which authorized bonds secured by the Gross Revenues of the System;

(viii) A certificate, satisfactory to the Underwriter, of the President of the Board or any other of your duly authorized officer satisfactory to the Underwriter, dated as of the Closing, to the effect that: (i) the Board has duly performed all of the obligations to be

performed at or prior to the Closing, (ii) the Board has authorized, by all necessary action, the execution, delivery, receipt and due performance of the Bonds, the Undertaking and any and all such other agreements and documents as may be required to be executed, delivered and received in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, (iii) to his knowledge no litigation is pending, or to his knowledge threatened, to restrain or enjoin the collection of the Gross Revenues, the pledge of the Gross Revenues to the Bonds, the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds, and (iv) to the best of his knowledge following appropriate inquiry, the execution, delivery, receipt and due performance of the Bonds, the Undertaking and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and your compliance with the provisions thereof will not conflict with or constitute on your part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the Board is subject or by which the Board is or may be bound;

(ix) Copies of this Purchase Agreement executed by the parties thereto;

(x) Duly authorized and executed copies of the Undertaking, in substantially the form attached as Appendix E to the Official Statement and incorporated herein, which complies with the provisions of Rule 15c2-12(b)(5) in form and substance satisfactory to the Underwriter;

(xi) A certificate of the City and the Board executed by authorized officers thereof, dated the Closing Date and in form and substance satisfactory to the Underwriter and counsel to the Underwriter, to the effect that the City and the Board are obligated by such Undertaking and except as provided in the Official Statement is in full compliance with all of their prior written continuing disclosure undertakings entered into pursuant to the provisions of Rule 15c2-12(b)(5);

(xii) A certificate from Perry & Associates, Certified Public Accountants, that the City and Board has Gross Revenues sufficient to meet the coverage and parity requirements of the Prior Ordinances;

(xiii) A Certificate of the Registrar to the effect that all conditions precedent contained in the Ordinance for the issuance of the Bonds have been met, and the Bonds are entitled to the benefit and security of the Ordinance;

(xiv) The Ordinance, certified by the City Clerk under the seal of the City, as having been duly enacted by the City and as being in full force and effect, with only such amendments, modifications or supplements as may have been agreed to by the Underwriter;

(xv) An Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in the form satisfactory to Bond Counsel for filing, executed by the duly authorized officer of the City and evidence that the City has adopted post issuance compliance guidelines;

(xvi) Evidence that the Series 2002 Bonds have either been paid in full or defeased until the first available call date; including a defeasance opinion of Bond Counsel and a defeasance certificate from the paying agent for the Series 2002 Bonds;

(xvii) Consent to use the Board's audit in the Preliminary Official Statement and Official Statement from Perry & Associates, Certified Public Accountants;

(xviii) Executed copies of the Prepayment Agreement for the Series 2002 Bonds; and

(xviv) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or its counsel, Jackson Kelly PLLC, reasonably may deem necessary or advisable to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the City's representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the City on or prior to the date of the Closing of all agreements then to be performed and all conditions then to be satisfied by the City;

All of the opinions, letters, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter and to Jackson Kelly PLLC, counsel to the Underwriter.

If the City shall be unable to satisfy or cause to be satisfied the conditions to the Underwriter's obligations in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriter and the City shall not have any further obligations, claims or rights hereunder. However, the Underwriter may in its discretion waive in writing one or more conditions imposed by this Purchase Agreement for the protection of the Underwriter and proceed with the Closing.

7. The Underwriter shall be under no obligation to pay, and, if the Bonds are issued, the City shall pay or cause to be paid from the proceeds of the Bonds or other funds of the City, any fees and expenses incident to the performance of the City's obligations hereunder

including (i) all expenses in connection with the printing and distribution of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; (ii) all expenses in connection with the preparation, printing, issuance and delivery of the Bonds; (iii) the fees and disbursements of Steptoe & Johnson PLLC, Bond Counsel; (iv) all advertising expenses in connection with the public offering of the Bonds; (v) the fees and disbursements of the Registrar including legal fees of legal counsel, if any; (vi) the fees and expenses of Counsel to the Underwriter; (vii) the fees and expenses of the accountant; (viii) all fees associated with the payment and redemption of the Series 2002 Bonds; (ix) bond insurance premium; (x) rating agency fees; and (xi) all other expenses and costs (including the fees and expenses of the City) for the authorization, issuance, sale and distribution of the Bonds.

8. The Underwriter shall pay from the underwriting spread all expenses incurred by it in connection with its public offering and distribution of the Bonds, including all out-of-pocket expenses, travel and other expenses and filing fees.

9. For so long as the Underwriter, or dealers or banks, if any, participating in the distribution of the Bonds, is offering the Bonds which constitute the whole or a part of its unsold participations, the City will: (a) not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall object in writing or which shall be disapproved by Counsel for the Underwriter, unless, in the opinion of the Counsel to the City, such amendment or supplement is required to make the Official Statement not misleading, and (b) if any event relating to or affecting the City shall occur as a result of which it is necessary, in the opinion of Bond Counsel or Counsel for the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, forthwith prepare and furnish to the Underwriter a reasonable number of copies of an amendment or a supplement to the Official Statement (in form and substance satisfactory to the Counsel for the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. The expense of preparing such amendment or supplement shall be borne by the City. For the purposes of this paragraph, the City will furnish such information with respect to themselves as the Underwriter from time to time may request.

10. Neither the officials of the City nor its employees shall be personally liable for breach of any representation, agreement or warranty made by the City within this Purchase Agreement.

11. Any notice or other communication to be given under this Purchase Agreement may be given by delivering the same in writing as follows:

To the City:

City of Clarksburg
222 W. Main Street
Clarksburg, West Virginia 26301
Attention: City Manager

To the Underwriter:

Crews & Associates, Inc.
150 Clay Street, Suite 410
Morgantown, West Virginia 26501

To the Board:

Clarksburg Water Board
1001 S. Chestnut St.
Clarksburg, West Virginia 26301

12. This Purchase Agreement is made solely for the benefit of the City and the Underwriter (including the successors or assigns of the Underwriter) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All agreements of the City in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

13. This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

14. The approval of the Underwriter when required hereunder or the determination of its satisfaction with any document referred to herein shall be in writing signed by the Representative and delivered to the City. This Purchase Agreement shall become legally effective upon its acceptance by the City, as evidenced by the signature of the Mayor and City Manager of the City in the space provided hereinafter therefor.

Crews & Associates, Inc.

By: _____
Its: Director

ACCEPTED AND APPROVED:

City of Clarksburg, West Virginia

By: _____
Mayor

By: _____
City Manager

AGREED TO:

Clarksburg Water Board

By: _____
President

ACCEPTED AND APPROVED:

City of Clarksburg, West Virginia

By: _____
Mayor

By: _____
City Manager

AGREED TO:

Clarksburg Water Board

By: _____
President

EXHIBIT A

Series 2013 A Bonds

Maturity (September 1)	Amount	Interest Rates	Price	Yield
2013	$ 475,000	1.000%	100.138%	0.600%
2014	$1,520,000	1.100%	100.000%	1.100%
2015	$1,535,000	1.350%	100.000%	1.350%
2016	$1,560,000	1.650%	100.000%	1.650%
2017	$1,585,000	2.000%	100.000%	2.000%
2018	$1,620,000	2.100%	100.000%	2.100%
2019	$ 925,000	2.200%	100.000%	2.200%

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is by and among the City of Clarksburg (the "Issuer"), the Clarksburg Water Board (the "Board") and WesBanco Bank, Inc. (the "Dissemination Agent"), in connection with the issuance of $9,220,000 City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) (the "Bonds"). The Bonds are being issued pursuant to the Ordinance adopted by the City Council of the City on March 7, 2013 (the "Original Ordinance"), as supplemented by a Supplemental Parameters Resolution adopted by the City Council of the City on March 21, 2013 (the "Supplemental Resolution" and together with the Original Ordinance as conformed, the "Ordinance"). The Issuer, the Board and Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of Agreement. The Agreement is being executed and delivered by the Issuer, the Board and Dissemination Agent for the benefit of the holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with SEC Rule 15c2-l2(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance and the Bond Purchase Agreement dated April 9, 2013, which apply to any capitalized term used in the Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" means the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles ("GAAP")) and operating data with respect to the Board, provided at least annually, of the type included in those sections of the final official statement with respect to the Bonds attached thereto as Appendix C, which Annual Financial Information shall include Audited Financial Statements if available on the Report Date, and, if not then available, unaudited financial statements.

"Audited Financial Statements" means the Board's annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

"Beneficial Owner" shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Board" shall mean the Clarksburg Water Board and when appropriate, its Manager.

"Disclosure Representative" shall mean the Mayor, City Manager, Utility Manager or Finance Director of the Issuer and/or the Manager of the Board.

"Dissemination Agent" shall initially mean WesBanco Bank, Inc., or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access System described in the 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of the Agreement.

"National Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule, effective as of July 1, 2009.

"Participating Underwriter" shall mean the original underwriter(s) of the Bonds who are required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each National Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of West Virginia.

SECTION 3. Provision of Annual Reports.

(a) The Issuer and/or the Board shall, or shall cause the Dissemination Agent to, not later than 270 days after the end of the Board's fiscal year (presently June 30) (the "Due Date"), commencing with the report for the Fiscal Year ending June 30, 2013, provide to EMMA Annual Financial Information and Audited Financial Statements, which are consistent with the requirements of Section 4 of the Agreement. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of the Agreement. The Issuer and/or the Board shall provide the Dissemination Agent with a copy of each report filed under the Agreement. If the Issuer's and/or the Board's fiscal year changes, the Issuer and/or the Board shall give notice of such change in the same manner as for a Listed Event under Section 5(a). The Dissemination Agent shall send written notice to the Issuer and the Board thirty days prior to the Due Date of the Annual Financial Information and Audited Financial Statements that such information is due by the Due Date.

(b) Not later than fifteen (15) Business Days prior to the Due Date, the Board shall provide the Annual Financial Information and Audited Financial Statements to the Dissemination Agent. If by the Due Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer and the Board to determine if the Issuer and the Board are in compliance with the first sentence of this subsection (b). If the Dissemination Agent is unable to provide to EMMA the Annual Financial Information and Audited Financial Statements by the date required in subsection (a), the Dissemination Agent shall send a notice to EMMA in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall file a report with the Issuer and the Board certifying that the Annual Financial Information and Audited Financial Statements have been provided to EMMA pursuant to the Agreement and the date provided.

SECTION 4. Content of Annual Financial Information. Within 270 days of the Board's 2013 fiscal year-end, and each subsequent fiscal year, the Dissemination Agent shall submit to EMMA information and data of the Board for the prior fiscal year, including the Audited Financial Statements, prepared in accordance with generally accepted accounting principles in effect from time to time.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement it must be available from the Municipal Securities Rulemaking Board. The Issuer and/or the Board shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer and/or the Board shall give, or cause to be given, notice of the occurrence of any of the following events, if applicable, with respect to the Bonds:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership, or similar event of the Issuer and/or the Board [1];

13. The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action; or the termination of a definitive agreement relating to any such actions, other than pursuant to its term, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Issuer and/or the Board obtains knowledge of the occurrence of a Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws, in any event such determination must be made and submitted to the Dissemination Agent within two (2) business days.

(d) If the Issuer and/or the Board determine(s) that knowledge of the occurrence of any of the Listed Events, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would be material under applicable federal securities laws pursuant to subsection (b) or the Issuer and/or the Board received notice of any Listed Event that does not require a finding of materiality classified under Section 5(a) (1), (3), (4), (5), (6), (9), (11) or (12), the Issuer and/or the Board shall promptly file with the Dissemination Agent a notice of such occurrence to be provided to EMMA.

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would not be material

[1] For the purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

under applicable federal securities laws, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Issuer and/or the Board to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with EMMA with a copy to the Issuer and to the Board. The Dissemination Agent must file such notice with EMMA within ten (10) business days of the occurrence of such Listed Event.

SECTION 6. Termination of Reporting Obligation. The Issuer's and the Board's obligations under the Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer and the Board shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Dissemination Agent. WesBanco Bank, Inc., is hereby appointed as Dissemination Agent. The Issuer may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under the Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer and the Board pursuant to the Agreement.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of the Agreement, the Issuer may amend the Agreement, and any provision of the Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of the Agreement, the Board shall describe such amendment in the next Annual Financial Information and Audited Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting

principles, on the presentation) of financial information or operating data being presented by the Board. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for any of the Listed Events under Section 5(a), and (ii) the Annual Financial Information and Audited Financial Statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in the Agreement shall be deemed to prevent the Issuer and/or the Board from disseminating any other information, using the means of dissemination set forth in the Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events, in addition to that which is required by the Agreement. If the Issuer or the Board chooses to include any information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events in addition to that which is specifically required by the Agreement, the Issuer and/or the Board shall have no obligation under the Agreement to update such information or include it in any future Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events.

SECTION 10. Default. In the event of a failure of the Issuer, the Board or Dissemination Agent to comply with any provision of the Agreement (and, at the request of the Original Purchasers), the Dissemination Agent may or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer, the Board or Dissemination Agent to comply with its obligations under the Agreement. A default under the Agreement shall not be deemed an Event of Default under the Ordinance, and the sole remedy under the Agreement in the event of any failure of the Issuer, the Board or Dissemination Agent to comply with the Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in the Agreement, and the Issuer and the Board agree to the extent allowed by State law to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer and the Board under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Notices. Any notices or communications to or among any of the parties to the Agreement may be given as follows:

To the Issuer: City of Clarksburg, West Virginia

	222 West Main Street Clarksburg, WV 26301 ATTN: City Manager
To the Dissemination Agent:	WesBanco Bank, Inc. ATTN: Corporate Trust 1 Bank Plaza Wheeling, WV 26003
To the Board:	Clarksburg Water Board 1001 S. Chestnut St. Clarksburg, WV 26301 ATTN: Manager

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 13. Beneficiaries. The Agreement shall inure solely to the benefit of the Issuer, the Board, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. Fees. The Issuer and the Board agree to pay all fees and expenses of the Dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 16. Right to Resign. The Dissemination Agent may resign at any time by providing thirty (30) days' written notice to the Issuer and the Board.

SECTION 17. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under the Agreement and to rely upon an opinion of counsel.

[The remainder of this page intentionally left blank.]

Date: April 26, 2013

CITY OF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

WESBANCO BANK, INC.,
as Dissemination Agent

By: _____
Its: _____

CLARKSBURG WATER BOARD

By: _____
Its: President

CITY OF CLARKSBURG (WEST VIRGINIA)
WATER REFUNDING REVENUE BONDS
SERIES 2013 A

RULE 15c2-12 CERTIFICATE

The undersigned hereby certify and represent to Crews & Associates, Inc. (the "Underwriter"), that they are the duly elected and acting Mayor and City Manager of the City of Clarksburg, West Virginia (the "City") and the President of the Clarksburg Water Board (the "Board"), authorized to execute and deliver this Certificate and further certifies on behalf of the City and the Board to the Underwriter as follows:

(1) This Certificate is delivered to enable the Underwriter to comply with Rule 15c2-12, as amended, under the Securities Exchange Act of 1934, as amended (the "Rule"), in connection with the offering and sale of City of Clarksburg (West Virginia) Water Refunding Revenue Bonds, Series 2013 A (the "Bonds").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated the date hereof, setting forth information concerning the Bonds, the City and the Board (the "Preliminary Official Statement").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, and other terms of the Bonds, all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, final as of its date, and the information therein is accurate and complete except for the Permitted Omissions.

(5) If, at any time prior to the execution of the final bond purchase agreement, any event occurs as a result of which the Preliminary Official Statement might include an 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, the City shall promptly notify the Underwriter thereof.

(6) The section of the Preliminary Official Statement entitled Continuing Disclosure describes the agreement the City and the Board expect to make for the benefit of the Bondholders in the Continuing Disclosure Agreement, by and among the City, the Board and WesBanco Bank, Inc., as dissemination agent (the "Disclosure Agreement"), by which the City and the Board will undertake to provide ongoing disclosure in accordance with Section (b)(5)(I) of the Rule.

IN WITNESS WHEREOF, we have hereunto set our hands as of this 2nd day of April 2013.

CITY OF CLARKSBURG, WEST VIRGINIA

By: _____
Mayor: _____

By: _____
City Manager: _____

CLARKSBURG WATER BOARD

By: _____
Its: President

IN WITNESS WHEREOF, we have hereunto set our hands as of this 2nd day of April 2013.

CITY OF CLARKSBURG, WEST VIRGINIA

By: _____
Mayor: _____

By: _____
City Manager: _____

CLARKSBURG WATER BOARD

By: _____
Its: President

NOTICE OF REDEMPTION – CONDITIONAL

REDEMPTION DATE: May 29, 2013

CITY OF CLARKSBURG
WATER REFUNDING REVENUE BONDS, SERIES 2002

MATURING ON AND AFTER SEPTEMBER 1, 2013

Original Principal Amount: $16,260,000

Dated Date	Maturity Date	Principal Amount	Redemption Amount at 101%	CUSIP*	Bond Certificate No.	Rate
7/1/2002	9/1/2013	$ 1,280,000	$1,292,800	182072CY	R-6	4.125%
7/1/2002	9/1/2019	$ 9,235,000	$9,327,350	182072CZ9	R-7	5.250%
Total		$10,515,000	$10,620,150			

NOTICE IS HEREBY GIVEN on behalf of the City of Clarksburg (the "Issuer") to the holders of all its outstanding Water Refunding Revenue Bonds, Series 2002, maturing on and after September 1, 2013 (the "Bonds"), issued pursuant to the Bond Ordinance enacted by the Issuer on May 30, 2002, as supplemented by the Supplemental Resolution adopted by the Issuer on July 11, 2002 (collectively, the "Bond Ordinance"), outstanding in the aggregate principal amount of $10,515,000 and further described above (the "Bonds"), that the Issuer has elected to optionally redeem the Bonds pursuant to Section 3.07 of the Bond Ordinance on May 29, 2013 (the "Redemption Date"), at the redemption price of 101% of the principal amount thereof (the "Redemption Price"), together with accrued interest to the Redemption Date, all in accordance with the provisions of the Bond Ordinance. On the Redemption Date, subject to the condition described below, there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, with interest accrued and unpaid to such date, and, from and after such date, interest thereon shall cease to accrue and be payable.

Each of the Bonds referred to above are to be surrendered to the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent and escrow agent for the Bonds (the "Paying Agent"), for payment of the Redemption Price thereof and interest accrued thereon to the Redemption Date, by presenting the Bonds to the office of the Paying Agent below:

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, WV 25302
Attn: Sara Rogers, Executive Director
(304) 558-3971

The redemption described above is conditional on and subject to there being on deposit in the applicable funds and accounts with the Paying Agent on the Redemption Date sufficient moneys to pay the full Redemption Price of the Bonds, together with the interest accrued thereon to the Redemption Date. If such redemption moneys are not on deposit on the Redemption Date, this notice shall be of no force and effect, the Bonds shall not be redeemed pursuant hereto, and the Registrar shall give notice that such moneys were not received. Failure to make such deposit shall not constitute a default under the Bond Ordinance.

Upon the deposit of the redemption moneys as described above, the Bonds shall not bear interest after the Redemption Date, shall no longer be protected by the Bond Ordinance and shall not be deemed to be outstanding under the provisions of the Bond Ordinance.

NOTICE:Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Interest and Dividend Tax Compliance Act of 1983 unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.

*The Issuer and the Registrar shall not be responsible for the use of the CUSIP numbers selected, nor is any representation made as to its correctness of such CUSIP numbers in this notice or as printed on any Bond. It is included solely for the convenience of the holders.

WESBANCO BANK, INC., as Registrar

By: _____
Its Authorized Officer

DATE: April 29, 2013

CITY OF CLARKSBURG
WEST VIRGINIA

OFFICE OF
CITY MANAGER

April 16, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2002

Ms. Jan Shelburne
WesBanco Bank, Inc., as Registrar
Corporate Trust Department
1 Bank Plaza
Wheeling, West Virginia 26003

Dear Ms. Shelburne:

You are directed to give notice as Registrar, that pursuant to the provisions of the Bond Ordinance enacted by the City of Clarksburg (the "City") on May 30, 2002, as supplemented by the Supplemental Resolution adopted by the City on July 11, 2002 (collectively, the "Bond Ordinance"), the City intends to exercise its right to make an Optional Redemption in full of all outstanding City of Clarksburg Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds") which are currently outstanding as follows:

Maturity Date	Interest Rate	Par Amount	CUSIP
9/1/2013	4.125%	$1,280,000.00	182072 CY 2
9/1/2019	5.250%	$9,235,000.00	182072 CZ 9
		$10,515,000.00	

In accordance with Section 3.07 of the Bond Ordinance, please send an official redemption notice in the form attached hereto and made a part hereof as Exhibit A (the "Redemption Notice") by registered or certified mail at least thirty days prior to May 29, 2013, the redemption date for the Series 2002 Bonds (the "Redemption Date") to Financial Guaranty Insurance Company, as bond insurer for the Series 2002 Bonds (the "Bond Insurer"), with a copy to State Street Bank and Trust Company, N.A., Ferris Baker Watts, Incorporated, as original purchase of the Series 2002 Bonds (the "Original Purchaser"), the registered owner of the Series 2002 Bonds to be redeemed at the address shown on the Bond Register (the "Registered Owner"), the Electronic Municipal Market Access system maintained by the Municipal Securities Rulemaking Board ("EMMA") and Standard and Poor's Called Bond Record.

222 WEST MAIN STREET • CLARKSBURG, WEST VIRGINIA 26301 • PHONE (304) 624-1677 • FAX (304) 624-1662

The full redemption price of $10,620,150 (which includes the par amount of the Series 2002 Bonds together with the applicable redemption premium) (the "Redemption Price"), plus accrued interest on the Series 2002 Bonds (total of $10,751,572.50) shall be applied by the West Virginia Municipal Bond Commission, as paying agent for the Series 2002 Bonds (the "Paying Agent") to the payment of the Redemption Price and accrued interest on the Series 2002 Bonds when the same are presented for payment to the Paying Agent on or after the Redemption Date. Following the payment by the Paying Agent of the Redemption Price and all accrued interest on the Series 2002 Bonds the Paying Agent is hereby directed to thereupon transfer such Series 2002 Bonds which have been presented for payment to the Registrar for destruction or for making as "Paid in Full and Satisfied" in accordance with the regulations and procedures of the Registrar.

In the event that sufficient funds necessary to effect the redemption have not been deposited with the Paying Agent by the Redemption Date such redemption shall not proceed and such event shall not constitute and event of default on the Series 2002 Bonds or pursuant to the Bond Ordinance. Neither the Paying Agent nor the Registrar will bear any responsibility for any costs, expenses or liability for any failure to deposit the necessary funds to effect this redemption on the Closing Date.

CITY OF CLARKSBURG

By: _____
Its City Manager

EXHIBIT A

NOTICE OF REDEMPTION – CONDITIONAL

REDEMPTION DATE: May 29, 2013

CITY OF CLARKSBURG
WATER REFUNDING REVENUE BONDS, SERIES 2002

MATURING ON AND AFTER SEPTEMBER 1, 2013

Original Principal Amount: $16,260,000

Dated Date	Issue Date	Maturity Date	Principal Amount	CUSIP*	Bond Certificate No.	Rate
7/1/2002	7/25/2002	9/1/2013	$ 1,280,000	182072CY2	R-6	4.125%
7/1/2002	7/25/2002	9/1/2019	$ 9,235,000	182072CZ9	R-7	5.250%

NOTICE IS HEREBY GIVEN on behalf of the City of Clarksburg (the "Issuer") to the holders of all its outstanding Water Refunding Revenue Bonds, Series 2002, maturing on and after September 1, 2013 (the "Bonds"), issued pursuant to the Bond Ordinance enacted by the Issuer on May 30, 2002, as supplemented by the Supplemental Resolution adopted by the Issuer on July 11, 2002 (collectively, the "Bond Ordinance"), outstanding in the aggregate principal amount of $10,515,000 and further described above (the "Bonds"), that the Issuer has elected to optionally redeem the Bonds pursuant to Section 3.07 of the Bond Ordinance on May 29, 2013 (the "Redemption Date"), at the redemption price of 101% of the principal amount thereof (the "Redemption Price"), together with accrued interest to the Redemption Date, all in accordance with the provisions of the Bond Ordinance. On the Redemption Date, subject to the condition described below, there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, with interest accrued and unpaid to such date, and, from and after such date, interest thereon shall cease to accrue and be payable.

Each of the Bonds referred to above are to be surrendered to the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent and escrow agent for the Bonds (the "Paying Agent"), for payment of the Redemption Price thereof and interest accrued thereon to the Redemption Date, by presenting the Bonds to the office of the Paying Agent below:

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, WV 25302
Attn: Sara Rogers, Executive Director
(304) 558-3971

The redemption described above is conditional on and subject to there being on deposit in the applicable funds and accounts with the Paying Agent on the Redemption Date sufficient moneys to pay the full Redemption Price of the Bonds, together with the interest accrued thereon to the Redemption Date. If such redemption moneys are not on deposit on the Redemption Date, this notice shall be of no force and effect, the Bonds shall not be redeemed pursuant hereto, and the Registrar shall give notice that such moneys were not received. Failure to make such deposit shall not constitute a default under the Bond Ordinance.

Upon the deposit of the redemption moneys as described above, the Bonds shall not bear interest after the Redemption Date, shall no longer be protected by the Bond Ordinance and shall not be deemed to be outstanding under the provisions of the Bond Ordinance.

NOTICE:Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Interest and Dividend Tax Compliance Act of 1983 unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.

*The Issuer and the Registrar shall not be responsible for the use of the CUSIP numbers selected, nor is any representation made as to its correctness of such CUSIP numbers in this notice or as printed on any Bond. It is included solely for the convenience of the holders.

WESBANCO BANK, INC., as Registrar

By: _____
Its Authorized Officer

DATE: April 29, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2002
(Tax-Exempt)

PREPAYMENT AGREEMENT FOR SERIES 2002 BONDS

This **PREPAYMENT AGREEMENT** (the "Agreement"), made and entered into as of April 26, 2013, by and among the **CITY OF CLARKSBURG,** a municipal corporation and political subdivision of the State of West Virginia, as issuer of the Series 2013 A Bonds (the "Issuer"), the **WEST VIRGINIA MUNICIPAL BOND COMMISSION,** as paying agent for the Series 2002 Bonds and Series 2013 A Bonds (the "Paying Agent") and **WESBANCO BANK, INC.,** a West Virginia banking corporation, as Registrar for the Series 2002 Bonds and the Series 2013 A Bonds (the "Registrar").

W I T N E S E T H T H A T:

WHEREAS, the Issuer presently owns and operates a public waterworks system (the "System") and has heretofore financed and refinanced the acquisition and construction of the System and certain additions, extensions and improvements thereto by the issuance of several series of water revenue bonds;

WHEREAS, the Issuer has determined to issue its Water Refunding Revenue Bonds, Series 2013 A, dated April 26, 2013, in the aggregate principal amount of $9,220,000 (the "Series 2013 A Bonds") and contemporaneously therewith defease its Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 of which $10,515,000 is currently outstanding (the "Series 2002 Bonds");

WHEREAS, the Issuer intends to defease all of the Series 2002 Bonds currently outstanding by depositing with the Paying Agent on April 26, 2013 (the "Closing Date") a portion of the proceeds of the Series 2013 A Bonds in the amount of $7,981,474.96, which will be combined with funds on deposit in the Series 2002 Bonds Sinking Fund in the amount of $961,713.57 and transferred by the Paying Agent on or before the Closing Date and funds on deposit in the Series 2002 Bonds Reserve Account in the amount of $1,808,383.97 and transferred by the Paying Agent on or before the Closing Date, which amounts will be deposited by the Paying Agent in an account to be created and known as the "Series 2002 Bonds Prepayment Fund";

WHEREAS, the cumulative amount deposited in the Series 2002 Bonds Prepayment Fund from the Series 2013 A Bonds, the Series 2002 Bonds Sinking Fund and the Series 2002 Bonds Reserve Account (total of $10,751,572.50) shall collectively be known as the "Redemption Deposit Amount";

WHEREAS, the Paying Agent shall invest $10,751,572.50 of the Redemption Deposit Amount in the West Virginia Consolidated Fund managed by the West Virginia Board of Treasury Investments (the "Consolidated Fund") which shall mature on May 28, 2013, in an amount equal to the principal sum invested together with any earnings thereon (the "Available Redemption Funds");

WHEREAS, the Available Redemption Funds are in such amount as to insure the payment on May 29, 2013 (the "Redemption Date"), pursuant to the Bond Ordinance enacted by the Issuer on May 30, 2002, as supplemented by the Supplemental Resolution adopted by the Issuer on July 11, 2002 (collectively, the "2002 Bond Ordinance"), of the entire principal amount of the Series 2002 Bonds then outstanding, together with the prepayment premium thereon, and together with all interest accrued thereon to the Redemption Date (collectively, the "Redemption Price"); and

WHEREAS, on the Redemption Date or upon such subsequent date as the registered owners of the Series 2002 Bonds present the same for payment to the Paying Agent, the Paying Agent shall pay the Redemption Price to the registered owners of the Series 2002 Bonds upon presentation and surrender of such Series 2002 Bonds for payment by the registered owners of the Series 2002 Bonds to the Paying Agent.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and in order further to secure payment of the Series 2002 Bonds, as heretofore provided, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives, successors and assigns, as follows:

1. The Paying Agent shall create the Series 2002 Bonds Prepayment Fund separate and apart from all other funds or accounts of the Paying Agent.

2. The Issuer shall deposit the sum of $7,981,474.96 from proceeds of the Series 2013 A Bonds with the Paying Agent on the Closing Date and such amount shall constitute an irrevocable deposit of such moneys in trust for, and such moneys shall be deposited by the Paying Agent in the Series 2002 Bonds Prepayment Fund.

3. The Paying Agent shall transfer the sum of $961,713.57 from the Series 2002 Bonds Sinking Fund to the Series 2002 Bonds Prepayment Fund.

4. The Paying Agent shall transfer the sum of $1,808,383.97 from the Series 2002 Bonds Reserve Account to the Series 2002 Bonds Prepayment Fund.

5. The Paying Agent will retain $763.43 of proceeds of the Series 2013 A Bonds transferred to the Paying Agent by the purchaser of the Series 2013 A Bonds for the payment of costs of issuance of such Bonds for the payment of the fees and costs of the Paying Agent with respect to the Series 2002 Bonds.

6. The cumulative amounts deposited from the Series 2013 A Bonds, the Series 2002 Bonds Sinking Fund and the Series 2002 Bonds Reserve Account into the Series 2002

Bonds Prepayment Fund (cumulative total of $10,751,572.50) shall collectively be known as the "Redemption Deposit Amount". Upon the deposit of the Redemption Deposit Amount into the Series 2002 Bonds Prepayment Fund on the Closing Date and the investment of the same in the Consolidated Fund as provided in paragraph 7 below, the Series 2002 Bonds shall thereupon be considered to be legally defeased pursuant to the 2002 Bond Ordinance.

7. The Paying Agent shall invest the Redemption Deposit Amount in the Consolidated Fund which investment shall mature on May 28, 2013, in an amount sufficient to pay the Redemption Price.

8. The Available Redemption Funds shall be sufficient to pay the Redemption Price in full on the Redemption Date.

9. WesBanco Bank, Inc., Wheeling, West Virginia will provide a notice of redemption by registered or certified mail to The Depository Trust Company as the registered owner of the Series 2002 Bonds, with a copy of such redemption notice being provided to Standard & Poor's Called Bond Record, EMMA and Financial Guaranty Insurance Company (the "Bond Insurer"), not more than 60 days nor less than 30 days prior to the Redemption Date, in accordance with the requirements of the Series 2002 Bonds.

10. The holders of the Series 2002 Bonds shall have an express lien on all moneys and assets in the Series 2002 Bonds Prepayment Fund until paid out, used and applied in accordance with this Agreement.

11. On the Redemption Date or upon such subsequent date as the registered owners of the Series 2002 Bonds present the same for payment to the Paying Agent, the Paying Agent shall pay the Redemption Price to the registered owners of the Series 2002 Bonds upon presentation and surrender of such Series 2002 Bonds for payment by the registered owners of the Series 2002 Bonds to the Paying Agent. The Series 2002 Bonds shall cease to bear interest from and after the Redemption Date thereof.

12. If any Outstanding Series 2002 Bonds are not presented for payment on the Redemption Date, and moneys are held by the Paying Agent for payment thereof, such moneys shall be held for such purposes for a period of 2 years from such Redemption Date, at which time such moneys shall be paid to the Issuer. Following such payment to the Issuer, the Issuer shall be responsible for payment to any holder of the Series 2002 Bonds presenting such Series 2002 Bonds to the Paying Agent of the amount payable to such holder.

13. This Agreement shall terminate on the earlier of the date on which all Outstanding Series 2002 Bonds have been redeemed, paid in full and discharged, or as described in paragraph 12 above, 2 years after the last date on which payment on any of the Series 2002 Bonds is due. Upon termination of this Agreement, any moneys remaining after payment of fees of the Registrar and Paying Agent shall be

transferred by the Paying Agent into the Series 2013 A Bonds Sinking Fund of the Series 2013 A Bonds.

14. 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.

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.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Prepayment Agreement on the day and year first above written.

CITYOF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

WEST VIRGINIA MUNICIPAL BOND COMMISSION

By: _____
Its: _____

WESBANCO BANK, INC.

By: _____
Its: _____

155510.00031

IN WITNESS WHEREOF, the parties hereto have executed this Prepayment Agreement on the day and year first above written.

CITYOF CLARKSBURG

By: _____
Its: Mayor

By: _____
Its: City Manager

WEST VIRGINIA MUNICIPAL BOND COMMISSION

By: _____
Its: _____

WESBANCO BANK, INC.

By: _____
Its: Vice President

155510.00031

Perry & Associates

Certified Public Accountants, A.C.

www.perrycpas.com

MARIETTA
428 Second Street
Marietta, OH 45750
(740) 373-0056
(740) 373-2402 Fax

PARKERSBURG
1035 Murdoch Avenue
Parkersburg, WV 26101
(304) 422-2203
(304) 428-5587 Fax

ST. CLAIRSVILLE
121 E. Main Street
St. Clairsville, OH 43950
(740) 695-1569
(740) 695-5775 Fax

April 26, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

City of Clarksburg
Clarksburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

Clarksburg Water Board
Clarksburg, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Jackson Kelly PLLC
Charleston, West Virginia

RE: CPA CERTIFICATE AS TO DEBT SERVICE SAVINGS

Ladies and Gentlemen:

The City of Clarksburg (the "Issuer") has issued its Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt), dated April 26, 2013, issued in the original aggregate principal amount of $9,220,000 (the "Refunding Bonds"), for the purpose of repaying in full on May 29, 2013 (the "Redemption Date") the Issuer's outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000, of which $10,515,000 is currently outstanding (the "Bonds to be Refunded"). We have been engaged by the Clarksburg Water Board (the "Board"), as its independent certified public accountant, to determine if the amount of saving stated to be achieved by the refunding shall in fact be achieved in accordance with W.Va. Code § 13-2E-6.

Based upon our review, comparison and analysis of the net interest cost in dollars of the Refunding Bonds and the net interest cost in dollars of the Bonds to be Refunded, the net present value debt service savings anticipated to be realized by the Issuer pursuant to the issuance by the Issuer of the Refunding Bonds and the redemption in full of the Bonds to be Refunded on the Redemption Date is $832,041, and thus the amount of saving stated by Crews & Associates, Inc., the underwriters of the Refunding Bonds (the "Underwriters") to be achieved by the refunding of the Bonds to be Refunded has in fact been achieved.

Respectfully Submitted,

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.

City of Clarksburg
Water Refunding Revenue Bonds, Series 2002

RECEIPT AND RELEASE OF SERIES 2002 BONDS

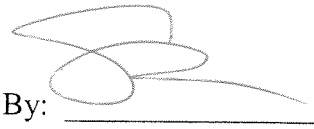
The undersigned authorized representative of the West Virginia Municipal Bond Commission (the "Paying Agent") hereby certifies this 26th day of April, 2013 as follows:

On the 26th day of April, 2013, the Paying Agent received the sum of $7,981,474.96 from the proceeds of the Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt) issued by the City of Clarksburg (the "City") and such amount, together with funds then on deposit with the Paying Agent in the Series 2002 Bonds Sinking Fund in the amount of $961,713.57 and the Series 2002 Bonds Reserve Account in the amount of $1,808,383.97 (total of $10,751,572.50) will be sufficient to: (i) pay the entire outstanding principal of, premium on, and all accrued interest on the City of Clarksburg Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000, of which $10,515,000 is currently outstanding (the "Series 2002 Bonds"), on May 29, 2013, the Redemption Date for the Series 2002 Bonds, and (ii) discharge the liens, pledges and encumbrances securing such Series 2002 Bonds.

[Remainder of Page Intentionally Blank]

WITNESS my signature the day and year first written above.

WEST VIRGINIA MUNICIPAL
BOND COMMISSION



By: _____
Its Authorized Representative

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

JOINT CERTIFICATE OF ISSUER AND ESCROW AGENT/PAYING AGENT

The undersigned Mayor and City Manager of the City of Clarksburg, West Virginia, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and the undersigned Executive Director of the West Virginia Municipal Bond Commission, in its capacities of Escrow Agent (the "Escrow Agent") and Paying Agent (the "Paying Agent"), hereby jointly certify as follows in connection with the above-captioned Bond issue (the "Bonds"):

1. We have executed the Prepayment Agreement between the Issuer and the Escrow Agent, dated April 26, 2013 (the "Prepayment Agreement"), on behalf of the Issuer and the Escrow Agent, respectively.

2. The Escrow Agent has the authority to act as Escrow Agent for and in connection with the Issuer's outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds") and has the requisite powers to carry out and accepts its duties as Escrow Agent under the Prepayment Agreement, and the Prepayment Agreement has been duly and validly authorized, executed and delivered by the Escrow Agent, and assuming due authorization, execution and delivery thereof by the Issuer, the Escrow Agreement constitutes a valid and legally binding obligation of the Escrow Agent, enforceable in accordance with its terms.

3. The funds on deposit in the Series 2002 Bonds Prepayment Fund established by the Prepayment Agreement have been invested as provided in the Prepayment Agreement.

4. The sum deposited into the Series 2002 Bonds Prepayment Fund and invested by the Paying Agent in the West Virginia Consolidated Fund as provided in the Prepayment Agreement is in an amount sufficient to fully pay the principal of and premium on the Series 2002 Bonds on the redemption date, together with interest accrued thereon from the date hereof to the redemption date, and the lien of the Series 2002 Bonds has been discharged.

5. The Paying Agent has the authority to act as Paying Agent for the Bonds and has the requisite powers to carry out and accepts its duties as Paying Agent under the Bond Ordinance of the Issuer enacted on March 7, 2013, as supplemented by the Supplemental Parameters Resolution adopted by the Issuer on March 21, 2013 (the "Ordinance").

WITNESS our signatures this April 26, 2013.

CITY OF CLARKSBURG

By: _____
City Manager

By: _____
Mayor

WEST VIRGINIA MUNICIPAL BOND COMMISSION

_____
Executive Director

155510/00031

6204204

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

400 White Oaks Boulevard
Bridgeport, WV 26330
(304) 933-8000 (304) 933-8183 Fax
www.steptoe-johnson.com

Writer's Contact Information

April 24, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

VIA E-MAIL AND FIRST CLASS US MAIL

Ms. Sara Rogers
Executive Director
West Virginia Municipal Bond
Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25302

Dear Sara:

As bond counsel for the City of Clarksburg (the "Issuer"), we wish to advise you that on April 26, 2013 (the "Closing Date"), the Issuer will deliver the above-captioned bonds (the "Bonds") to Crews & Associates, Inc. (the "Purchaser"). A portion of the proceeds of the Bonds will be used to currently refund and redeem in full the Issuer's outstanding Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000 (the "Series 2002 Bonds"). On the Closing Date, the Issuer will be required to fund the Series 2002 Bonds Prepayment Fund (the "Series 2002 Bonds Prepayment Fund"), pursuant to a Prepayment Agreement dated April 26, 2013 (the "Prepayment Agreement"), by and between the Issuer, the West Virginia Municipal Bond Commission (the "Commission"), as Escrow Agent and WesBanco Bank, Inc., Wheeling, West Virginia as Registrar (the "Registrar").

The Series 2002 Bonds Prepayment Fund will be funded with $7,981,474.96 from the proceeds of the Bonds, funds on deposit in the Series 2002 Bonds Sinking Fund in the amount of $961,713.57 and funds on deposit in the Series 2002 Bonds Reserve Account in the amount of $1,808,383.97 (total of $10,751,572.50). The sum of $8,990,155.50 will be wired by the Purchaser to the Commission on the Closing Date. The Commission shall deposit $7,981,474.96 of such amount into the Series 2002 Bonds Prepayment Fund, $3,417.11 of such amount into the Series 2013 A Bonds Sinking Fund and $922,000 of such amount into the Series 2013 A Bonds Reserve Account. The Commission will retain $763.43 of such amount in payment of its fees and costs as paying agent for the Series 2002 Bonds and wire transfer $82,500 of such funds to WesBanco Bank, Inc., as registrar for the Series 2002 Bonds (the "Registrar") to be applied by the Registrar to the payment of costs of issuance of the Series 2002

Bonds. On the Closing Date, the Commission shall invest the total Series 2002 Bonds Prepayment Fund deposit in the amount of $10,751,572.50 in the West Virginia Consolidated Fund managed by the West Virginia Board of Treasury Investments which shall mature on May 28, 2013 (the "Consolidated Fund"). The Bonds shall then be redeemed with proceeds of the maturing Consolidated Fund investment on May 29, 2013 (the "Redemption Date").

The amounts deposited in the Series 2002 Bonds Prepayment Fund shall be applied in accordance with the Prepayment Agreement.

If you have any questions regarding the foregoing, please feel free to call me.

Very truly yours,

Thomas L. Aman, Jr.

TLA
Copy of letter (via e-mail) to:
Richard D. Welch
Samme Gee, Esq.
Robert Steptoe
Martin Howe

155510/00031

EXHIBIT C

The Depository Trust Company

A subsidiary of The Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

[To be Completed by Issuer]

CITY OF CLARKSBURG (WEST VIRGINIA)
[Name of Issuer]

July 11, 2002
[Date]

[For Municipal Issues:
Underwriting Department—Eligibility; 50th Floor]
[For Corporate Issues:
General Counsel's Office; 19th Floor]
The Depository Trust Company
55 Water Street
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

CITY OF CLARKSBURG (WEST VIRGINIA)
(Issuer)

By: _____
(Authorized Officer's Signature)

Thomas P. Vidovich
(Print Name)

222 West Main Street
(Street Address)

Clarksburg, WV 26301
(City) (State) (Country) (Zip Code)

(304) 624-1677
(Phone Number)

(E-mail Address)

Received and Accepted:
THE DEPOSITORY TRUST COMPANY

By: _____

DTCC

The Depository Trust & Clearing Corporation

[2/02]

(To Blanket Issuer Letter of Representations)

SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the"Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue,and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com**.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner")is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity

of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[**6.** Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC [nor its nominee], Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[**9.** A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

EXHIBIT D

The Depository Trust Company

A subsidiary of The Depository Trust & Clearing Corporation

OPERATIONAL ARRANGEMENTS AGENT LETTER

Date: July 11, 2002

Underwriting Department
The Depository Trust Company
55 Water Street 50th Floor
New York, NY 10041-0099

Ladies and Gentlemen:

From time to time, this organization may be appointed as a trustee, paying agent, transfer agent, or an agent in some other capacity for issues of securities or other financial assets that The Depository Trust Company ("DTC") will be requested to make eligible for its services. The undersigned confirms that when this organization acts in one of these capacities for any such issues, it hereby covenants that, to the extent within its control, it will comply with the requirements set forth in the DTC Operational Arrangements, as they may be amended from time to time.

Very truly yours,

CITY OF CLARKSBURG
(Name of Organization)

By: _____
(Authorized Officer's Signature)

Thomas P. Vidovich
(Print Name)

222 West Main Street
(Street Address)

Clarksburg, WV 26301
(City) (State) (Country) (Zip Code)

(304)624-1677
(Phone Number)

(E-mail Address)

DTCC

The Depository Trust & Clearing Corporation

[2/02]

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 13, ARTICLE 2E OF THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on
April 2, 2013

Natalie E. Tennant
Secretary of State

ARTICLE 2E

REVENUE BOND REFUNDING ACT

Section

13-2E-1. How article cited.
13-2E-2. Definitions.
13-2E-3. Authority to refund.
13-2E-4. Terms, form and execution of refunding bonds.
13-2E-5. Issuance of refunding bonds; application of proceeds.
13-2E-6. Determination of governing body to be conclusive.
13-2E-7. Authorization for issuance.
13-2E-8. Authority for escrow agreement.
13-2E-9. Call of revenue bonds for redemption.
13-2E-10. Security provisions.
13-2E-11. Bonds payable solely from revenues of enterprise.
13-2E-12. Tax exemption; exceptions.
13-2E-13. Validity of bonds.
13-2E-14. Article complete authority for refunding bonds; effect on other laws; liberal construction.
13-2E-15. Severability.

§ 13-2E-1. How article cited

This article may be cited as "Revenue Bond Refunding Act."

Acts 1969, c. 12.

§ 13-2E-2. Definitions

The following terms or words, wherever used or referred to in this article, shall have the following meaning, unless a different meaning plainly appears from the context:

The term "public body" means any city, town, village, county, public service district, sanitary district, political subdivision or any other similar public entity now or hereafter created, and the state of West Virginia acting through any of its agencies, boards, commissions or departments, having power to issue revenue bonds.

The term "governing body" means a board, council or other body having power to borrow money on behalf of a public body.

The term "law" means any act or statutes, general, special or local, of this state, including, without being limited to, the charter of any public body.

The term "enterprise" means any work, undertaking, or project which the public body is or may hereafter be authorized to acquire or construct and from which the public body has heretofore derived or may hereafter derive revenues, for the refinancing of which enterprise refunding bonds are issued under this article, and such enterprise shall include all improvements, betterments, extensions and replacements thereto, and all appurtenances, facilities, lands, rights in land, water rights, franchises, and structures in connection therewith or incidental thereto; and for the purposes of this article "enterprise" includes the

waterworks system or the sewerage system, or both said systems, resulting from the severance of a combined waterworks and sewerage system pursuant to section one-b, article twenty, chapter eight of this code, all as the governing body shall authorize in the ordinance authorizing said severance.

The term "revenues" means all fees, tolls, rates, rentals and charges to be levied and collected in connection with and all other income and receipts of whatever kind or character derived by the public body from the operation of any enterprise or arising from any enterprise, and including earnings derived from investments and bank deposits.

The term "revenue bonds" means notes, bonds, certificates or other obligations of a public body heretofore or hereafter issued and outstanding under any law and which by their terms are payable from the revenues derived by such public body from the operation of an enterprise.

The term "refunding bonds" means notes, bonds, certificates or other obligations of a public body issued pursuant to this article.

The term "holder of bonds" or "bondholder" or any similar term means any person who shall be the bearer of any outstanding refunding bond or refunding bonds registered to bearer or not registered, or the registered owner of any such outstanding refunding bond or refunding bonds which shall at the time be registered other than to bearer.

The words "net interest cost" when referring to an outstanding issue of revenue bonds to be refunded, means the total amount of interest which would accrue on such revenue bonds from the date of the refunding bonds to the respective maturity dates of the outstanding revenue bonds to be refunded, without regard to any retained options of redemption.

The words "net interest cost" when referring to a proposed issue of refunding bonds, means the total amount of interest to accrue on the refunding bonds from their date to their respective maturities, without regard to any retained options of redemption, plus the amount of any discount below par or less the amount of any premium above par at which the bonds may be sold.

The words "net effective interest rate" when referring to a proposed issue of refunding bonds, means the net interest cost of said refunding bonds divided by the product obtained by multiplying the aggregate principal amount of such refunding bonds maturing on each maturity date by the number of years from the date of the refunding bonds to their respective maturities, without regard to any retained options of redemption.

The term "certified public accountant" means an independent certified public accountant or firm of certified public accountants licensed to practice in this state.

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

Acts 1969, c. 12; Acts 1986, c. 118.

§ 13–2E–3. Authority to refund

Any public body may issue refunding bonds for the purpose of refunding all or any part of its revenue bonds now or hereafter outstanding, whether or not such revenue bonds are at the time of the refunding due or optional for redemption, under the circumstances and restrictions set forth in this article. Refunding bonds shall be payable from revenues derived from the same enterprise as the revenue bonds to be refunded except where the public body has outstanding revenue bonds payable from the revenues of an enterprise and is authorized under any other law to combine and consolidate such enterprise with another enterprise and issue revenue bonds payable from the revenues of the combined and consolidated enterprises. An issue of refunding bonds may refund part or all of one or more issues of outstanding revenue bonds: Provided, That part or all of two or more issues of outstanding revenue bonds may not be refunded under this article unless either (a) all of the issues of outstanding revenue bonds to be refunded are payable from revenues derived from the same enterprise, or (b) the public body is authorized under any other law to combine or consolidate the enterprises in question and issue revenue bonds payable from the revenues of the combined or consolidated enterprises.

Refunding bonds may be issued hereunder whenever the governing body of the public body deems it expedient and, notwithstanding any provision in this article to the contrary, may be issued as part of a series of revenue bonds issued for the purpose, in addition to such refunding, of financing the acquisition or construction of improvements, betterments, extensions or replacements to the particular enterprise, as provided by other articles of this Code.

Acts 1969, c. 12; Acts 1981, 1st Ex. Sess., c. 2.

Library References

Key Numbers

Counties ⇐175.
Municipal Corporations ⇐913.
Westlaw Key Number Searches: 104k175; 268k913.

Encyclopedias

C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1651, 1653.

§ 13–2E–4. Terms, form and execution of refunding bonds

Refunding bonds authorized under this article may be issued in one or more series; may bear such date or dates; may mature at such time or times, not exceeding the period of usefulness of the enterprise, as determined by the governing body in its discretion, not exceeding forty years from their respective dates; may bear interest at such rate or rates; may be in such denomination or denominations; may be in such form either coupon or registered; may carry such registration and conversion privileges; may be executed in such manner; may be payable in such medium of payment, at such place or places; may be subject to such terms of redemption, with or without a premium; may be declared or become due before the maturity date; may provide for the replacement of mutilated, destroyed, stolen or lost bonds; may be authenticated in such manner and upon compliance with such conditions; and may contain such other terms and covenants, as may be determined by the governing body

in the proceedings authorizing the refunding bonds. Notwithstanding the form or tenor thereof, and in the absence of an express recital on the face thereof that the bond is nonnegotiable, all refunding bonds shall at all times be, and shall be treated as, negotiable instruments for all purposes.

Acts 1969, c. 12; Acts 1981, 1st Ex. Sess., c. 2.

Library References

Key Numbers
Counties ⇐175.
Municipal Corporations ⇐913.
Westlaw Key Number Searches: 104k175; 268k913.

Encyclopedias
C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1651, 1653.

§ 13-2E-5. Issuance of refunding bonds; application of proceeds

Refunding bonds issued under this article may be exchanged for not less than a like principal amount of the revenue bonds to be refunded, or may be sold at public or private sale, or may be exchanged in part and sold in part, in such manner and upon such terms as may be determined by the governing body to be for the best interests of the public body: Provided, That such refunding bonds shall not be sold or exchanged at a price lower than a price which will show a net saving to the issuer after deducting all expenses of the refunding: Provided, however, That if the governing body determines that one of the purposes of issuing such refunding bonds is to effect the release, termination or modification of liens, restrictions, conditions or limitations imposed in connection with the bonds which are to be refunded, then such refunding bonds may be issued without the necessity of showing a net saving to the issuer, in which event such refunding bonds shall bear interest at such rate or rates as the governing body may determine, but such rate or rates shall not exceed the maximum stated rate of interest which the revenue bonds to be refunded thereby could bear if they were being issued as of the date of issuance of such refunding bonds, and such refunding bonds may not be sold or exchanged at a price which would result in a net interest cost in excess of the maximum net interest cost which the revenue bonds to be refunded could be sold or exchanged for if they were being issued as of the date of issuance of such refunding bonds.

If any such refunding bonds are to be sold, they may be issued in such principal amount as may be determined advisable by the governing body including, without limitation, the aggregate principal amount of the revenue bonds to be refunded, interest accrued and to accrue to the date or dates on which the revenue bonds being refunded are scheduled to mature or to be redeemed prior to maturity, any redemption premiums which must be paid in order to refund such outstanding revenue bonds and any costs and expenses of issuing the refunding bonds and providing for retirement of revenue bonds to be refunded. If sold, the net proceeds shall either be immediately applied to the payment or redemption and retirement of the revenue bonds to be refunded, or the net proceeds of the refunding bonds may be invested at the discretion and under the supervision of the escrow agent in whole, or in part, (a) in direct

obligations issued by the United States of America or one of its agencies, (b) in obligations unconditionally guaranteed by the United States of America as to principal and interest, or (c) in certificates of deposit of a banking corporation or association which is a member of the federal deposit insurance corporation, or successor; but any such certificates of deposit must be fully secured as to both principal and interest by pledged collateral consisting of direct obligations of or obligations guaranteed by the United States of America having a market value, excluding accrued interest, at all times at least equal to the amount of the principal of an accrued interest on such certificates of deposit. Any such investments must mature, or be payable in advance of maturity at the option of the holder, and must bear interest in such manner as to provide funds which, together with uninvested money placed in the hereinafter mentioned escrow, will be sufficient to pay when due or called for redemption the revenue bonds refunded, together with interest accrued and to accrue thereon and redemption premiums, if any, and such refunding bond proceeds or obligations so purchased therewith shall, and with other funds legally available to the public body for such purpose may, be deposited in escrow with the West Virginia municipal bond commission or a corporate trustee, which may be a trust company or bank having powers of a trust company within or without the state of West Virginia, to be selected by the issuer to be held in trust for the payment and redemption of the revenue bonds refunded, and such money and obligations and any reinvestment thereof shall be held in trust by such escrow agent for the payment of interest on the refunded bonds when due, and principal thereof and applicable redemption premiums, if any, when due, or upon the date or dates for which they shall have been called for redemption, or upon an earlier voluntary surrender at the option of the escrow agent; provided if interest earned by any investment in such escrow is shown to be in excess of the amounts required from time to time for the payment of interest on and principal of the refunded revenue bonds, including applicable redemption premium, then such excess may be withdrawn from escrow and disbursed by the public body as are other revenues of the enterprise. Any moneys in the sinking or reserve funds or other funds maintained for the outstanding revenue bonds to be refunded may be applied in the same manner and for the same purpose as are the net proceeds of refunding bonds or may be deposited in the special fund or any reserve funds established for account of the refunding bonds. The term "net proceeds" as used above shall mean the gross proceeds of the refunding bonds after the deduction therefrom of all accrued interest, costs and expenses incurred in connection with the authorization and issuance of the refunding bonds and the retirement of the outstanding revenue bonds, and including all costs and expenses resulting from price variations to par or otherwise incurred in the purchase of obligations for escrow and in the disposition of the refunding bonds.

Acts 1969, c. 12; Acts 1973, c. 115; Acts 1986, c. 118.

Library References

Key Numbers
Counties ⇐183. Municipal Corporations ⇐928.

Westlaw Key Number Searches: 104k183; 268k928.

C.J.S. Municipal Corporations § 1699.

Encyclopedias

C.J.S. Counties § 222.

§ 13–2E–6. Determination of governing body to be conclusive

The determination by the governing body of any public body issuing refunding bonds under this article that the limitations herein imposed upon the issuance of refunding bonds have been met, shall be conclusive: Provided, however, That such public body shall have obtained from an independent certified public accountant a certification that the amount of saving stated to be achieved by the refunding shall in fact be served, based upon his review, comparison and analysis of the net interest cost in dollars of the refunding bonds and the net interest cost in dollars of the bonds to be refunded.

Acts 1969, c. 12.

§ 13–2E–7. Authorization for issuance

Refunding bonds and all acts required to be authorized hereunder shall be authorized in the manner in which the bonds to be refunded were authorized and issued: Provided, That refunding bonds of a system resulting from the severance of a combined municipal waterworks and sewerage system shall to the extent applicable be authorized and issued under the terms and provisions of law, including, but not limited to, interest rates and net interest costs, under which revenue bonds of such resulting system would be authorized and issued.

Acts 1969, c. 12; Acts 1986, c. 118.

Library References

Key Numbers

Counties ⇐175.
Municipal Corporations ⇐913.
Westlaw Key Number Searches: 104k175; 268k913.

Encyclopedias

C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1651, 1653.

§ 13–2E–8. Authority for escrow agreement

The governing body of any public body shall have power to enter into such escrow agreements and to insert therein such protective and other covenants and provisions as it may consider necessary to permit the carrying out of the provisions of this article and to insure the prompt payment of principal of and interest and redemption premiums on the revenue bonds refunded.

Acts 1969, c. 12.

§ 13–2E–9. Call of revenue bonds for redemption

Where any revenue bonds to be refunded are not to be surrendered for exchange or payment and are not to be paid at maturity with escrowed obligations, but are to be paid from such source prior to maturity pursuant to call for redemption exercised under a right of redemption reserved in such revenue bonds, the governing body of the public body shall, prior to the

issuance of the refunding bonds, determine which redemption date or dates shall be used, call such revenue bonds for redemption and provide for the giving of the notice of redemption required by the proceedings authorizing such revenue bonds. Where such notice is to be given at a time subsequent to the issuance of the refunding bonds, the necessary notices may be deposited with the state sinking fund commission or the bank acting as escrow agent of the refunding bond proceeds and the escrow agent appropriately instructed and authorized to give the required notices at the prescribed time or times. If any officer of the public body signing any such notice shall no longer be in office at the time of the utilization of the notice, the notice shall nevertheless be valid and effective for its intended purpose.

Acts 1969, c. 12.

Library References

Key Numbers

Counties ⇐187.

Municipal Corporations ⇐951.

Westlaw Key Number Searches: 104k187; 268k951.

Encyclopedias

C.J.S. Counties § 226.

C.J.S. Municipal Corporations §§ 1704 to 1705.

§ 13–2E–10. Security provisions

Refunding bonds shall be special obligations of the public body and shall be payable solely from and secured by a lien upon the gross revenues or net revenues of the enterprise, as shall be more fully described in the ordinance or resolution authorizing the issuance of refunding bonds, and the ordinance or resolution authorizing such refunding bonds shall provide for a special fund into which there shall be pledged a fixed amount or a fixed proportion of such revenues which shall be sufficient to pay the principal of and interest on the refunding bonds as the same become due.

In order to assure payment of the principal and interest on any refunding bonds it shall be the duty of the governing body of the public body to establish, levy, maintain and collect such fees, tolls, rentals, rates and other charges for the services of such enterprise as shall be necessary to produce revenues sufficient, after making due and reasonable allowance for contingencies and for a margin of error in estimates, to pay at all times principal of and interest on the refunding bonds as the same become due, to pay current expenses of operation and maintenance, to provide for depreciation, to provide for reserves for any of the foregoing, to comply in all respects with any contract or agreement with bondholders set forth in the ordinance or resolution authorizing such refunding bonds, and to meet any other obligations of the public body which by their terms are charges, liens, or encumbrances upon the revenues of such enterprise.

The ordinance or resolution authorizing any refunding bonds may contain such covenants with the holders of the refunding bonds as to the efficient management and operation of the enterprise; the collection, keeping and disposition of the revenues of the enterprise; the issuance of additional refunding bonds or revenue bonds; the carrying of insurance on such enterprise and

the disposition of insurance proceeds; the keeping of books and records and the auditing thereof; the inspection by bondholders at reasonable times of the enterprise and the records, accounts and data of the public body relating thereto; limitations upon the sale or other disposition of integral parts of the enterprise; the discontinuance of the services and facilities of the enterprise upon failure to pay for such services and facilities; the appointment and duties of a trustee; the rights, liabilities, powers and duties arising upon the breach by the public body of any covenants, conditions or obligations contained in the ordinance or resolution authorizing the issuance of such refunding bonds; remedies of bondholders upon default in the payment of the principal of or interest on any refunding bonds, including the appointment by a court of competent jurisdiction of a receiver for the operation and management of the enterprise and the collection and disbursement of the revenues thereof, but such receiver or any court having jurisdiction in the matter shall not be permitted to sell, mortgage or otherwise dispose of any assets of the enterprise and useful in its operation or cause any of such assets to be sold, mortgaged or otherwise disposed of; and any other conditions, acts or pertinent matters as may be deemed necessary or proper by the governing body of the public body to assure efficient operation of the enterprise, payment of the refunding bonds and marketability of the refunding bonds upon favorable terms. Any agreement or covenant contained in the ordinance or resolution authorizing such refunding bonds shall constitute a contract with the holders of such refunding bonds.

All refunding bonds of the same issue shall be equally and ratably secured, without priority by reason of number, date or time of sale, execution or delivery, by a lien upon the revenues of the enterprise in accordance with the provisions of this section and the ordinance or resolution authorizing the issuance of such refunding bonds.

Nothing in this section or in any other section of this article shall be deemed in any way to alter the terms of any agreements made with the holders of any outstanding revenue bonds of the public body, or to authorize the public body to alter the terms of any such agreements, or to impair, or authorize the public body to impair, the rights and remedies of any creditors of the public body.

Nothing in this section or in any other section of this article shall be deemed in any way to authorize any public body to do anything in any manner or for any purpose which would result in the creation or incurring of a debt or indebtedness or the issuance of any instrument which would constitute a bond or debt within the meaning of any provision, limitation, or restriction of the Constitution relating to the creation or incurring of a debt or indebtedness or the issuance of an instrument constituting a bond or a debt.

Acts 1969, c. 12.

Library References

Key Numbers
Counties ⇐181.
Municipal Corporations ⇐919.

Westlaw Key Number Searches: 104k181; 268k919.

Encyclopedias
C.J.S. Counties § 221.
C.J.S. Municipal Corporations § 1661.

§ 13-2E-11. Bonds payable solely from revenues of enterprise

No recourse shall be had for the payment of the refunding bonds, or interest thereon, or any part thereof, against the general fund of any public body, nor shall the credit or taxing power of any public body be deemed to be pledged thereto.

The refunding bonds, and interest thereon, shall not be a debt of the public body, nor a charge, lien or encumbrance, legal or equitable, upon any property of the public body, nor upon any income, receipts, or revenues of the public body other than such of the revenues of the enterprise as shall have been pledged to the payment thereof, and every refunding bond shall recite in substance that said bond, including interest thereon, is payable solely from the revenues pledged to the payment thereof and that the public body is under no obligation to pay the same, except from said revenues.

Acts 1969, c. 12.

Library References

Key Numbers
Counties ⇐187.
Municipal Corporations ⇐950(15).
Westlaw Key Number Searches: 104k187; 268k950(15).

Encyclopedias
C.J.S. Counties § 226.
C.J.S. Municipal Corporations §§ 1708 to 1709.

§ 13-2E-12. Tax exemption; exceptions

The refunding bonds and the income therefrom shall be exempt from taxation, except inheritance, estate and transfer taxes.

Acts 1969, c. 12.

Library References

Key Numbers
Taxation ⇐218.
Westlaw Key Number Search: 371k218.

Encyclopedias
C.J.S. Taxation § 260.

§ 13-2E-13. Validity of bonds

Refunding bonds bearing the signatures of officers of the public body in office on the date of the signing thereof shall be valid and binding obligations of the public body for all purposes, notwithstanding that before the delivery thereof any or all the persons whose signatures appear thereon shall have ceased to be officers of the public body, the same as if such persons had continued to be officers of the public body until after the delivery thereof. The ordinance or resolution authorizing any refunding bonds may provide that such refunding bond may contain a recital that such refunding bond is issued pursuant to this article, and any refunding bond containing such recital under authority of any such ordinance or resolution shall be conclusively deemed to be valid and to have been issued in conformity with the provisions of this article.

Where any refunding bonds have been heretofore authorized by any public body which would have been valid under and in compliance with the provisions of this article had this article been in existence at the time of the authorization of such refunding bonds, such refunding bonds if heretofore issued, and if not yet issued then such refunding bonds when they shall have been issued, and the proceedings authorizing their issuance, are hereby validated, ratified and confirmed and declared to be binding and enforceable obligations in accordance with their terms.

Acts 1969, c. 12.

Library References

Key Numbers
Counties ⇐183(2).
Municipal Corporations ⇐931.
Westlaw Key Number Searches: 104k183(2); 268k931.

Encyclopedias
C.J.S. Counties § 222.
C.J.S. Municipal Corporations § 1694.

§ 13–2E–14. Article complete authority for refunding bonds; effect on other laws; liberal construction

This article constitutes full and complete authority for the issuance of refunding bonds. No procedure or proceedings, publications, notices, consents, approvals, orders, acts or things by any governing body of any public body, or any board, officer, commission, department, agency, or instrumentality of the State or any public body shall be required to issue any refunding bonds or to do any act or perform anything under this article, except as may be prescribed in this article. The powers conferred by this article shall be in addition and supplemental to, and not in substitution for, and the limitations imposed by this article shall not affect, the powers conferred by any other law. This article is remedial in nature and shall be liberally construed.

Acts 1969, c. 12.

§ 13–2E–15. Severability

If any one or more provisions of this article or the applicability thereof to any persons or circumstances are ever held by a final decision of a court of competent jurisdiction to be invalid, such invalidity shall not affect any other provision or provisions, application or applications of this article, and to this end, the provisions of this article are declared to be severable.

Acts 1969, c. 12.

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 8, ARTICLE 19 OF THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on
April 2, 2013

Natalie E. Tennant
Secretary of State

Article		Section
31.	INTERGOVERNMENTAL RELATIONS—FRANCHISE OBLIGATIONS.	8–31–1
32.	INTERGOVERNMENTAL RELATIONS—CONTRIBUTIONS TO OR INVOLVEMENT WITH NONSTOCK, NONPROFIT CORPORATIONS OR HEALTH INSTITUTIONS FOR PUBLIC PURPOSES.	8–32–1
33.	INTERGOVERNMENTAL RELATIONS—BUILDING COMMISSIONS.	8–33–1
34.	JUDICIAL REVIEW.	8–34–1
35.	DISSOLUTION OF MUNICIPALITIES.	8–35–1
36.	CONSTITUTIONALITY AND SEVERABILITY.	8–36–1
37.	MUNICIPAL FINANCIAL STABILIZATION FUND ACT.	8–37–1
38.	MUNICIPAL ECONOMIC OPPORTUNITY DEVELOPMENT DISTRICTS.	8–38–1

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ARTICLE 19

MUNICIPAL AND COUNTY WATERWORKS AND ELECTRIC POWER SYSTEMS

Part I—Municipal Waterworks and Electric Power Systems Authorized; Definition.

Section

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PART I—MUNICIPAL WATERWORKS AND ELECTRIC POWER SYSTEMS AUTHORIZED; DEFINITION

§ 8-19-1. Acquisition and operation of municipal and county waterworks and electric power systems; construction of improvements to municipal and county electric power systems; extension beyond corporate limits; definitions

(a) Subject to and in accordance with the provisions of this article, any municipality or county commission may acquire, construct, establish, extend, equip, repair, maintain and operate, or lease to others for operation, a waterworks system or an electric power system or construct, maintain and operate additions, betterments and improvements to an existing waterworks system or an existing electric power system, notwithstanding any provision or limitation to the contrary in any other law or charter: Provided, That such municipality or county commission shall not serve or supply water facilities or electric

power facilities or services within the corporate limits of any other municipality or county commission without the consent of the governing body of such other municipality or county commission.

(b) Any municipality or county commission which intends to file an application with the federal energy regulatory commission for a license to acquire, construct, establish, extend, maintain and operate, or lease to others for operation, an electric power system, shall give written notice by certified mail, return receipt requested, and shall give public notice by Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code and the publication area shall be the municipality or county in which the system is to be located to the governing body of the municipality or the county commission in which such system is or shall be located or, if such system is or shall be located outside of a municipality or county, to the county commission of the county in which such system is or shall be located, at least sixty days prior to the filing of such application: Provided, That the provisions of this subsection shall not apply to any municipality or county commission which, on the date of the passage of this act, has obtained a license from the federal energy regulatory commission to acquire, construct, establish, extend, maintain and operate, or lease to others for operation, an electric power system. If the municipality or county commission receiving such notice does not respond to the notice within sixty days of receipt of such notice, then such other municipality or the county commission shall be deemed to have consented to the application for the proposed electric power system. If such other municipality or the county commission notifies the municipality or county commission that it objects to the proposed electric power system, such other municipality or the county commission shall hold a public hearing on the proposed system within sixty days of receipt of such notice from the municipality or county commission.

(c) As used in this article:

(1) "Waterworks system" means a waterworks system in its entirety or any integral part thereof, including mains, hydrants, meters, valves, standpipes, storage tanks, pump tanks, pumping stations, intakes, wells, impounding reservoirs, pumps, machinery, purification plants, softening apparatus and all other facilities necessary, appropriate, useful, convenient or incidental in connection with or to a water supply system.

(2) "Electric power system" means a system or facility which produces electric power in its entirety or provides for the distribution of electric power for local consumption and use or for distribution and resale or any combination thereof, or any integral part thereof, including, but not limited to, power lines and wires, power poles, guy wires, insulators, transformers, generators, cables, power line towers, voltage regulators, meters, power substations, machinery and all other facilities necessary, appropriate, useful or convenient or incidental in connection with or to an electric power supply system.

Acts 1933, Ex. Sess., c. 26, § 1; Acts 1937, c. 52; Acts 1939, c. 97; Acts 1949, c. 90; Acts 1955, c. 133; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1983, c. 151; Acts 1986, c. 118; Acts 1986, 1st Ex. Sess., c. 18; Acts 1990, c. 141.

Cross References

County commissions, waterworks, see § 7–1–3a.
Creation by charter provision of certain independent city boards, home rule powers for cities, see § 8–12–3.
General powers of every municipality and its governing body, see § 8–12–5.
Public Energy Authority Act, see § 5D–1–1 et seq.

Administrative Code References

Water rationing, emergency, see W. Va. Code St. R. § 150–20–2.

Library References

Electricity ⇐1.5.
Water Law ⇐1869.
Westlaw Topic Nos. 145, 405.
C.J.S. Electricity §§ 13 to 21.

United States Code Annotated

Transfer to municipal corporations, federal works supplying water, see 43 U.S.C.A. § 499b.

Part II—Limitations on Sale or Lease of Certain Municipal Waterworks

§ 8–19–2. Contracts for purchase of electric power or energy by a municipality; definitions; requirements; payments; rates and charges

(a) For the purposes of this section:

(1) "Contract" means an agreement entered into by a municipality with any other party for the purchase of electric output, capacity or energy from a project as defined herein.

(2) "Any other party" means any other legal entity, including, but not limited to, another municipality, political subdivision, public authority, agency or instrumentality of any state or the United States, a partnership, a limited partnership, a limited liability company, a corporation, an electric cooperative or an investor-owned utility existing under the laws of any state; and

(3) "Project" or "projects" means systems or facilities owned by another party and used for the generation, transmission, transformation or supply of electric power, or any interest in them, whether an undivided interest as a tenant in common or otherwise, or any right to the output, capacity or services thereof.

(b) In addition to the general authority to purchase electricity on a wholesale basis for resale to its customers, any municipality that owns and operates an electric power system under the provisions of this article may enter into a contract with any other party for the purchase of electricity from one or more projects located in the United States that provide that the contracting municipality is obligated to make payments required by the contract whether or not a project is completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output of a project or the power and energy contracted for and that the payments shall not be subject to any reduction, whether by offset or otherwise, and shall not be

conditioned upon performance or nonperformance by any other party. The contract may provide that, in the event of a default by the municipality or any other party to the contract in the performance of each entities' obligations under the contract, any nondefaulting municipality or any other party to the contract shall on a pro rata basis succeed to the rights and interests of, and assume the obligations of, the defaulting party.

(c) Notwithstanding any other provisions of law, ordinance or charter provision to the contrary, a contract under subsection (b) of this section may extend for more than fifty years or fifty years from the date a project is estimated to be placed into normal continuous operation and the execution and effectiveness of the contract is not subject to any authorizations or approvals by the state or any agency, commission, instrumentality or political subdivision thereof except as otherwise specifically required by law.

(d) A contract under subsection (b) of this section may provide that payments by the municipality are made solely from and may be secured by a pledge of and lien upon revenues derived by the municipality from ownership and operation and that payments shall constitute an operating expense of the electric power system. No obligation under the contract shall constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the municipality or upon any of its income, receipts or revenues, except the revenues of the municipality's electric power system. Neither the faith and credit nor the taxing power of the municipality shall be pledged for the payment of any obligation under the contract.

(e) A municipality contracting under the provisions of subsection (b) of this section is obligated to fix, charge and collect rents, rates, fees and charges for electric power and energy and other services it sells, furnishes or supplies through its electric power system in an amount sufficient to provide revenues adequate to meet its obligations under the contract and to pay any and all other amounts payable from or constituting a charge and lien upon the revenues, including the amounts necessary to pay the principal and interest on any municipal bonds issued related to its electric power system: *Provided,* That any change in the rates and charges of the municipality to the customers of the electric power system under the provisions of this section are subject to the provisions and requirements of section four-b, article two, chapter twenty-four of this code and the obligations of the municipality under the contract are costs of providing electric service within the meaning of that section.

Acts 2007, c. 186, eff. June 6, 2007.

PART III—RIGHT OF EMINENT DOMAIN

§ 8–19–3. Right of eminent domain; limitations

For the purpose of acquiring, constructing, establishing or extending any waterworks system or electric power system, or for the purpose of constructing any additions, betterments or improvements to any waterworks or electric

power system, or for the purpose of acquiring any property necessary, appropriate, useful, convenient or incidental for or to any waterworks or electric power system, under the provisions of this article, the municipality or county commission shall have the right of eminent domain as provided in chapter fifty-four of this code: Provided, That such right of eminent domain for the acquisition of a privately owned waterworks system, or electric power system, or any part thereof, shall not be exercised without prior approval of the public service commission, and in no event shall any municipality or county commission construct, establish or extend beyond the corporate limits of said municipality or county line a municipal or county waterworks or electric power system under the provisions of this article to supply service in competition with an existing privately or municipally or county owned waterworks or electric power system in such municipality or county or within the proposed extension of such system, unless a certificate of public convenience and necessity therefor shall have been issued by the public service commission: Provided, however, That a municipality or county commission may not exercise such right of eminent domain over a privately owned electric power system or any part thereof for the purpose of acquiring, constructing, establishing or extending an electric power system.

Subject to the provisions of this article and notwithstanding the provisions of section nineteen, article twelve of this chapter to the contrary, a municipality or county commission may acquire, construct, establish, extend, equip, repair, maintain and operate, or lease to others for operation, electric generators or electric generating systems or electric transmission systems more than one mile beyond the corporate limits of such municipality or county line and said electric generation systems shall not be under the jurisdiction of the public service commission.

Acts 1933, Ex. Sess., c. 26, § 9; Acts 1937, c. 52; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1983, c. 151; Acts 1990, c. 141.

Library References

Eminent Domain ⇐28, 35.
Westlaw Topic No. 148.
C.J.S. Eminent Domain §§ 35, 45.

Notes of Decisions

In general 1

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1. In general

The section of the municipal home rule statute enabling municipalities to acquire and establish water, gas and electric systems does not authorize the use of the power of eminent domain for the acquisition of privately owned public utilities, but merely authorizes the establishment of utility systems through the process of construction and by the purchase of franchises and properties of going utility concerns. Code 1937, 8A–4–26. City of Mullens v. Union Power Co., 1940, 7 S.E.2d 870, 122 W.Va. 179. Eminent Domain ⇐ 47(1)

PART IV—REVENUE BOND FINANCING

§ 8–19–4. Estimate of cost; ordinance or order for issuance of revenue bonds; interest on bonds; rates for services; exemption from taxation

Whenever a municipality or county commission shall, under the provisions of this article, determine to acquire, by purchase or otherwise, construct, establish, extend or equip a waterworks system or an electric power system, or to construct any additions, betterments or improvements to any waterworks or electric power system, it shall cause an estimate to be made of the cost thereof, and may, by ordinance or order, provide for the issuance of revenue bonds under the provisions of this article, which ordinance or order shall set forth a brief description of the contemplated undertaking, the estimated cost thereof, the amount, rate or rates of interest, the time and place of payment, and other details in connection with the issuance of the bonds. Such bonds shall be in such form and shall be negotiated and sold in such manner and upon such terms as the governing body of such municipality or county commission may by ordinance or order specify. All such bonds and the interest thereon shall be exempt from all taxation by this state, or any county, municipality or county commission, political subdivision or agency thereof. Notwithstanding any other provision of this code to the contrary, the real and personal property which a municipality or county has acquired and constructed according to the provisions of this article, and any leasehold interest therein held by other persons, shall be deemed public property and shall be exempt from taxation by the state, or any county, municipality or other levying body, so long as the same is owned by such municipality or county: Provided, That with respect to electric power systems, this exemption for real and personal property shall be applicable only for such real and personal property (1) physically situate within the municipal or county boundaries of the municipality or county which acquired or constructed such electric power system and there was in place prior to the effective date of the amendments to this section made in the year one thousand nine hundred ninety-two an agreement between the municipality and the county commission for payments in lieu of tax, or (2) acquired or constructed with the written agreement of the county school board, county commission and any municipal authority within whose jurisdiction the electric power system is or is to be physically situate. Notwithstanding anything contained in this statute to the contrary, this exemption shall be applicable to any leasehold or similar interest held by persons other than a municipality or county only if acquired or constructed with the written agreement of the county school board, county commission and any municipal authority within whose jurisdiction the electric power system is or is to be physically situate: Provided, however, That payments made to any county commission, county school board or municipality in lieu of tax pursuant to such an agreement shall be distributed as if the payments resulted from ad valorem property taxation. Such bonds shall bear interest at a rate per annum set by the municipality or county commission, payable at such times, and shall be payable as to principal at such times, not exceeding fifty years from their date, and at such place or places,

within or without the state, as shall be prescribed in the ordinance or order providing for their issuance. Unless the governing body of the municipality or county commission shall otherwise determine, such ordinance or order shall also declare that a statutory mortgage lien shall exist upon the property so to be acquired, constructed, established, extended or equipped, fix minimum rates or charges for water or electricity to be collected prior to the payment of all of said bonds and shall pledge the revenues derived from the waterworks or electric power system for the purpose of paying such bonds and interest thereon, which pledge shall definitely fix and determine the amount of revenues which shall be necessary to be set apart and applied to the payment of the principal of and interest upon the bonds and the proportion of the balance of such revenues, which are to be set aside as a proper and adequate depreciation account, and the remainder shall be set aside for the reasonable and proper maintenance and operation thereof. The rates or charges to be charged for the services from such waterworks or electric power system shall be sufficient at all times to provide for the payment of interest upon all bonds and to create a sinking fund to pay the principal thereof as and when the same become due, and reasonable reserves therefor, and to provide for the repair, maintenance and operation of the waterworks or electric power system, and to provide an adequate depreciation fund, and to make any other payments which shall be required or provided for in the ordinance or order authorizing the issuance of said bonds.

Acts 1933, Ex. Sess., c. 26, § 3; Acts 1933, 2nd Ex. Sess., c. 49; Acts 1955, c. 133; Acts 1969, c. 86; Acts 1970, c. 7; Acts 1978, c. 72; Acts 1980, c. 33; Acts 1981, 1st Ex. Sess., c. 2; Acts 1984, c. 128; Acts 1986, 1st Ex. Sess., c. 18; Acts 1990, c. 141; Acts 1992, c. 147.

Library References

Municipal Corporations ⇐950(15).
Taxation ⇐2313, 2316.
Westlaw Topic Nos. 268, 371.
C.J.S. Municipal Corporations §§ 1708 to 1709.
C.J.S. Taxation §§ 292, 304.

§ 8-19-5. Publication of abstract of ordinance or order and notice; hearing

After the ordinance or order for any project under this article has been adopted, an abstract of the ordinance or order, determined by the governing body to contain sufficient information as to give notice of the contents of such ordinance or order, together with the following described notice, shall be published as a Class II legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, and the publication area for such publication shall be the municipality or county. The notice to be published with said abstract of the ordinance or order shall state that said ordinance or order has been adopted, that the municipality or county commission contemplates the issuance of the bonds described in the ordinance or order, that any person interested may appear before the governing body, upon a certain date, which shall be not less than ten days subsequent to the date of the first publication of such abstract and notice and which shall not be prior to the date of the last publication by such abstract and notice, and present protests, and

that a certified copy of the ordinance or order is on file with the governing body for review by interested parties during the office hours of the governing body. At such hearing all protests and suggestions shall be heard and the governing body shall take such action as it considers proper in the premises: Provided, That if at such hearing written protest is filed by thirty percent or more of the freeholders of the municipality or county, then the governing body of said municipality or county shall not take further action unless four fifths of the qualified members of said governing body assent thereto.

Acts 1933, Ex. Sess., c. 26, § 4; Acts 1967, c. 105; Acts 1969, c. 86; Acts 1971, c. 103; Acts 1981, 1st Ex. Sess., c. 2; Acts 1990, c. 141.

Library References

Municipal Corporations ⇨294(7).
Westlaw Topic No. 268.
C.J.S. Municipal Corporations §§ 979, 981.

§ 8–19–6. Amount, negotiability and execution of bonds

Bonds herein provided for shall be issued in such amounts as may be necessary to provide sufficient funds to pay all costs of acquisition, construction, establishment, extension or equipment, including engineering, legal and other expenses, together with interest to a date six months subsequent to the estimated date of completion. Bonds issued under the provisions of this article are hereby declared to be negotiable instruments, and the same shall be executed by the proper legally constituted authorities of the municipality or county commission, and be sealed with the corporate seal of the municipality or certified by the county commission, and in case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures shall nevertheless be valid and sufficient for all purposes the same as if they had remained in office until such delivery. All signatures on the bonds or coupons and the corporate seal may be mechanically reproduced if authorized in the ordinance or order authorizing the issuance of the bonds.

Acts 1933, Ex. Sess., c. 26, § 5; Acts 1933, 2nd Ex. Sess., c. 49, § 5; Acts 1969, c. 86; Acts 1970, c. 7; Acts 1980, c. 33; Acts 1981, 1st Ex. Sess., c. 2; Acts 1984, c. 128; Acts 1990, c. 141.

Library References

Municipal Corporations ⇨927.
Westlaw Topic No. 268.
C.J.S. Municipal Corporations § 1699.

§ 8–19–7. Bonds payable solely from revenues; not to constitute municipal or county indebtedness

Bonds issued under the provisions of this article shall be payable solely from the revenues derived from such waterworks or electric power system, and such bonds shall not in any event constitute an indebtedness of such municipality or county within the meaning of any constitutional or statutory provision or

limitation, and it shall be plainly stated on the face of each bond that the same has been issued under the provisions of this article, and that it does not constitute an indebtedness of such municipality or county within constitutional or statutory provision or limitation. Subject to the provisions of subsection (b), section twelve of this article, the ordinance or order authorizing the issuance of the bonds may contain such covenants and restrictions upon the issuance of additional revenue bonds thereafter as may be considered necessary or advisable for the assurance of payment of the bonds thereby authorized and as may thereafter be issued.

Acts 1933, Ex. Sess., c. 26, § 6; Acts 1933, 2nd Ex. Sess., c. 49; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐950(15). Westlaw Topic No. 268.

C.J.S. Municipal Corporations §§ 1708 to 1709.

§ 8–19–8. Lien of bondholders; deeds of trust; security agreements; priority of liens

Unless the governing body shall otherwise determine in the ordinance or order authorizing the issuance of bonds under this article, there shall be and there is hereby created and granted a statutory mortgage lien upon the waterworks or electric power system so acquired, constructed, established, equipped, extended or improved from the proceeds of bonds hereby authorized to be issued, which shall exist in favor of the holder of said bonds and each of them, and to and in favor of the holder of the coupons attached to said bonds, and such waterworks or electric power system shall remain subject to such statutory mortgage lien until payment in full of the principal of and interest upon said bonds.

Any municipality or county commission in acquiring an existing waterworks system or in improving an existing waterworks or electric power system may provide that financing therefor may be made by issuing revenue bonds and delivering the same at such prices as may be agreed upon within the limitations prescribed in section six of this article. Any revenue bonds so issued to provide financing for such existing waterworks or electric power system or for any improvements to an existing waterworks or electric power system may be secured by a mortgage or deed of trust upon and security interest in the property so acquired or improved or any other interest of the municipality or county commission in property related thereto as determined by the municipality or county commission in the ordinance or order authorizing the issuance of such revenue bonds; and in such event the holders thereof shall have, in addition to any other remedies and rights prescribed by this article, such remedies and rights as may now or hereafter exist in law in the case of mortgages or deeds of trust on real property and security interests in personal property. Such mortgage or deed of trust, upon its recordation, shall have priority over all other liens or encumbrances, however created or arising, on the property covered by such mortgage or deed of trust, to the same extent and for the same amount as if the municipality or county were obligated to pay the

full amount secured by such mortgage or deed of trust immediately upon the recordation of such mortgage or deed of trust and remained so obligated until the obligations secured are fully discharged.

Acts 1933, Ex. Sess., c. 26, § 7; Acts 1933, 2nd Ex. Sess., c. 49; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1986, 1st Ex. Sess., c. 18; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐950(15). Westlaw Topic No. 268.

C.J.S. Municipal Corporations §§ 1708 to 1709.

§ 8–19–9. Covenants with bondholders

Any ordinance or order authorizing the issuance of bonds hereunder, or any trust indenture with any banking institution or trust company within or without the state for the security of said bonds, which any such municipality or county commission is hereby empowered and authorized to enter into and execute, may contain covenants with the holders of such bonds as to:

(a) The purpose or purposes to which the proceeds of sale of such bonds or the revenues derived from said waterworks or electric power system may be applied and the securing, use and disposition thereof, including, if deemed desirable, the appointment of a trustee or depository for any of such funds;

(b) The pledging of all or any part of the revenues derived from the ownership, control or operation of such waterworks or electric power system, including any part thereof heretofore or hereafter acquired, constructed, established, extended or equipped or derived from any other sources, to the payment of the principal of or interest thereon of bonds issued hereunder and for such reserve or other funds as may be considered necessary or desirable;

(c) The fixing, establishing and collecting of such rates or charges for the use of the services and facilities of the waterworks or electric power system, including the parts thereof heretofore or hereafter acquired, constructed, established, extended or equipped and the revision of same from time to time, as will always provide revenues at least sufficient to provide for all expenses of repair, maintenance and operation of such waterworks or electric power system, the payment of the principal of and interest upon all bonds or other obligations payable from the revenues of such waterworks or electric power system, and all reserve and other funds required by the terms of the ordinance or order authorizing the issuance of such bonds;

(d) The transfer from the general funds of the municipality or county commission to the account or accounts of the waterworks or electric power system of an amount equal to the cost of furnishing the municipality or county commission or any of its departments, boards or agencies or the county commission with the services and facilities of such waterworks or electric power system;

(e) Subject to the provisions of subsection (b), section twelve of this article, limitations or restrictions upon the issuance of additional bonds or other obligations payable from the revenues of such waterworks or electric power system, and the rank or priority, as to lien and source and security for payment

from the revenues of such waterworks or electric power system, between bonds payable from such revenues;

(f) The manner and terms upon which all bonds and other obligations issued hereunder may be declared immediately due and payable upon the happening of a default in the payment of the principal of or interest thereon, or in the performance of any covenant or agreement with bondholders, and the manner and terms upon which such defaults may be declared cured and the acceleration of the maturity of such bonds rescinded and repealed;

(g) Budgets for the annual repair, maintenance and operation of such waterworks or electric power system and restrictions and limitations upon expenditures for such purposes, and the manner of adoption, modification, repeal or amendment thereof, including the approval of such budgets by consulting engineers designated by holders of bonds issued hereunder;

(h) The amounts of insurance to be maintained upon such waterworks or electric power system, or any part thereof, and the use and disposition of the proceeds of any insurance; and

(i) The keeping of books of account, relating to such undertakings and the audit and inspection thereof, and the furnishing to the holders of bonds issued hereunder or their representatives, reports prepared, certified or approved by accountants designated or approved by the holders of bonds issued hereunder.

Any such ordinance, order or trust indenture may also contain such other additional covenants as shall be considered necessary or desirable for the security of the holders of bonds issued hereunder, notwithstanding that such other covenants are not expressly enumerated above, it being the intention hereof to grant to municipalities or county commissions plenary power and authority to make any and all covenants or agreements necessary in order to secure greater marketability for bonds issued hereunder as fully and to the same extent as such covenants or agreements could be made by a private corporation rendering similar services and facilities and to grant to municipalities and counties full and complete power and authority to enter into any contracts, covenants or agreements with holders of bonds issued hereunder not inconsistent with the constitution of this state.

Acts 1955, c. 133; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐919.
Westlaw Topic No. 268.
C.J.S. Municipal Corporations § 1661.

§ 8–19–10. Operating contract

Any such municipality or county commission may enter into contracts or agreements with any persons for (1) the repair, maintenance and operation and management of the facilities and properties of said waterworks or electric power system, or any part thereof, or (2) the collection and disbursement of the income and revenues therefor, or for both (1) and (2), for such period of time

and under such terms and conditions as shall be agreed upon between such municipality or county commission and such persons. Any such municipality or county commission shall have plenary power and authority to provide in the ordinance or order authorizing the issuance of bonds hereunder, or in any trust indenture securing such bonds, that such contracts or agreements shall be valid and binding upon the municipality and county commission as long as any of said bonds, or interest thereon, is outstanding and unpaid.

Acts 1955, c. 133; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐232.
Westlaw Topic No. 268.
C.J.S. Municipal Corporations § 905.

§ 8–19–11. Rates or charges for water and electric power must be sufficient to pay bonds, etc.; disposition of surplus

Rates or charges for water or electric power fixed precedent to the issuance of bonds shall not be reduced until all of said bonds shall have been fully paid, and may, whenever necessary, be increased in amounts sufficient to provide for the payment of the principal of and interest upon such bonds, and to provide proper funds for the depreciation account and repair, maintenance and operation charges. If any surplus shall be accumulated in the repair, maintenance and operation fund which shall be in excess of the cost of repairing, maintaining and operating the waterworks or electric power system during the remainder of the fiscal year then current, and the cost of repairing, maintaining and operating the said waterworks or electric power system during the fiscal year then next ensuing, then any such excess may be transferred to either the depreciation account or to the bond and interest redemption account, and if any surplus shall be accumulated in the depreciation account over and above that which the municipality or county commission shall find may be necessary for the probable replacements which may be needed during the then present fiscal year, and the next ensuing fiscal year, such excess may be transferred to the bond and interest redemption account, and, if any surplus shall exist in the bond and interest redemption account, the same shall be applied insofar as possible in the purchase or retirement of outstanding revenue bonds payable from such account.

Acts 1933, Ex. Sess., c. 26, § 8; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐950(15).
Westlaw Topic No. 268.
C.J.S. Municipal Corporations §§ 1708 to 1709.

§ 8–19–12. Service charges; sinking fund; amount of bonds; additional bonds; surplus

(a) Every municipality or county commission issuing bonds under the provisions of this article shall thereafter, so long as any of such bonds remain outstanding, repair, maintain and operate its waterworks or electric power

system as hereinafter provided and shall charge, collect and account for revenues therefrom as will be sufficient to pay all repair, maintenance and operation costs, provide a depreciation fund, retire the bonds and pay the interest requirements of the bonds as the same become due. The ordinance or order pursuant to which any such bonds are issued shall pledge the revenues derived from the waterworks or electric power system to the purposes aforesaid and shall definitely fix and determine the amount of revenues which shall be necessary and set apart in a special fund for the bond requirements. The amounts as and when so set apart into said special fund for the bond requirements shall be remitted to the West Virginia municipal bond commission to be retained and paid out by said commission consistent with the provisions of this article and the ordinance or order pursuant to which such bonds have been issued: Provided, That payment of principal of and interest on any bonds owned by the United States of America or any agency or department thereof may be made by the municipality or county commission directly to the United States of America or said agency or department thereof. The bonds hereby authorized shall be issued in such amounts as may be determined necessary to provide funds for the purpose for which they are authorized, and in determining the amount of bonds to be issued it shall be proper to include interest on the bonds for a period not beyond six months from the estimated date of completion.

(b) If the proceeds of the bonds, because of error or otherwise, shall be less than the cost of the property or undertaking for which authorized, additional bonds may be issued to provide the amount of such deficit and such additional bonds shall be considered to be of the same issue and shall be entitled to payment from the same fund without preference or priority over the bonds first authorized and issued.

(c) If the proceeds of the bonds shall exceed the cost of the property or undertaking, the surplus shall be converted into the fund thereon.

Acts 1933, Ex. Sess., c. 26, § 11; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1986, c. 118; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐951. Westlaw Topic No. 268.

C.J.S. Municipal Corporations §§ 1704 to 1705.

§ 8–19–12a. Deposit required for new customers; lien for delinquent service rates and charges; failure to cure delinquency; payment from deposit; reconnecting deposit; return of deposit; liens; civil actions; deferral of filing fees and costs in magistrate court action; limitations with respect to foreclosure

(a)(1) Whenever any rates and charges for water services or facilities furnished remain unpaid for a period of twenty days after the same become due and payable, the property and the owner thereof, as well as the user of the services and facilities provided, shall be delinquent and the owner, user and

property shall be held liable at law until such time as all such rates and charges are fully paid. When a payment has become delinquent, the municipality may utilize any funds held as a security deposit to satisfy the delinquent payment. All new applicants for service shall indicate to the municipality or governing body whether they are an owner or tenant with respect to the service location.

(2) The municipality or governing body, but only one of them, may collect from all new applicants for service a deposit of $50 or two twelfths of the average annual usage of the applicant's specific customer class, whichever is greater, to secure the payment of water service rates, fees and charges in the event they become delinquent as provided in this section. In any case where a deposit is forfeited to pay service rates, fees and charges which were delinquent and the user's service is disconnected or terminated, no reconnection or reinstatement of service may be made by the municipality or governing body until another deposit equal to $50 or a sum equal to two twelfths of the average usage for the applicant's specific customer class, whichever is greater, is remitted to the municipality or governing body. After twelve months of prompt payment history, the municipality or governing body shall return the deposit to the customer or credit the customer's account with interest at a rate as the Public Service Commission may prescribe: *Provided,* That where the customer is a tenant, the municipality or governing body is not required to return the deposit until the time the tenant discontinues service with the municipality or governing body. Whenever any rates, fees, rentals or charges for services or facilities furnished remain unpaid for a period of twenty days after the same become due and payable, the user of the services and facilities provided is delinquent and the user is liable at law until all rates, fees and charges are fully paid. The municipality or governing body may, under reasonable rules promulgated by the Public Service Commission, shut off and discontinue water services to a delinquent user of water facilities ten days after the water services become delinquent regardless of whether the municipality or governing body utilizes the security deposit to satisfy any delinquent payments: *Provided further,* That nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the municipality or governing body to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill.

(b) All rates or charges for water service whenever delinquent shall be liens of equal dignity, rank and priority with the lien on such premises of state, county, school and municipal taxes for the amount thereof upon the real property served, and the municipality shall have plenary power and authority from time to time to enforce such lien in a civil action to recover the money due for such services rendered plus court fees and costs and a reasonable attorney's fee: *Provided,* That an owner of real property may not be held liable for the delinquent rates or charges for services or facilities of a tenant, nor shall any lien attach to real property for the reason of delinquent rates or charges for services or facilities of a tenant of such real property, unless the owner has contracted directly with the municipality to purchase such services or facilities.

(c) Municipalities are hereby granted a deferral of filing fees or other fees and costs incidental to the bringing and maintenance of an action in magistrate court for the collection of the delinquent rates and charges. If the municipality collects the delinquent account, plus fees and costs, from its customer or other responsible party, the municipality shall pay to the magistrate court the filing fees or other fees and costs which were previously deferred.

(d) No municipality may foreclose upon the premises served by it for delinquent rates or charges for which a lien is authorized by this section except through the bringing and maintenance of a civil action for such purpose brought in the circuit court of the county wherein the municipality lies. In every such action, the court shall be required to make a finding based upon the evidence and facts presented that the municipality had exhausted all other remedies for the collection of debts with respect to such delinquencies prior to the bringing of such action. In no event shall foreclosure procedures be instituted by any municipality or on its behalf unless such delinquency had been in existence or continued for a period of two years from the date of the first such delinquency for which foreclosure is being sought.

Acts 1989, c. 133; Acts 1990, c. 140; Acts 1990, c. 141; Acts 2004, c. 185, eff. 90 days after March 12, 2004; Acts 2010, c. 201, eff. June 11, 2010.

Library References

Water Law ⇐2233.
Westlaw Topic No. 405.

§ 8–19–13. Discontinuance of water or electric power service for nonpayment of rates or charges

Any such municipality or county commission shall also have plenary power and authority, and may covenant with the holders of any bonds issued hereunder, to shut off and discontinue the supplying of the water or electric power service of said waterworks or electric power system for the nonpayment of the rates or charges for said water or electric power service.

Acts 1955, c. 133; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1990, c. 141.

Library References

Electricity ⇐11.2(3).
Water Law ⇐2230.
Westlaw Topic Nos. 145, 405.
C.J.S. Electricity § 55.

§ 8–19–14. Bonds for additions, betterments and improvements

Whenever any municipality or county commission shall now or hereafter own and operate a waterworks or electric power system, whether acquired, constructed, established, extended or equipped under the provisions of this article or not, and shall desire to construct additions, betterments or improvements thereto, it may issue revenue bonds under the provisions of this article to pay for the same, and the procedure therefor, including the fixing of rates or charges and the computation of the amount thereof, and the power and authority in connection therewith, shall be the same as in this article provided

for the issuance of bonds for the acquisition, construction, establishment, extension or equipment of a waterworks system or electric power system in a municipality or county which has not heretofore owned and operated a waterworks or electric power system: Provided, That nothing in this article shall be construed as authorizing any municipality or county commission to impair or commit a breach of the obligation of any valid lien or contract created or entered into by it, the intention being to authorize the pledging, setting aside and segregation of such revenues for the construction of such additions, betterments or improvements only where and to the extent consistent with outstanding obligations of such municipality or county commission, and in accordance with the provisions of this article.

Acts 1933, Ex. Sess., c. 26, § 10; Acts 1933, 2nd Ex. Sess., c. 49; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐911.
Westlaw Topic No. 268.

C.J.S. Municipal Corporations §§ 1647 to 1649.

§ 8–19–15. System of accounts; audit

Any municipality or county commission operating a waterworks or electric power system under the provisions of this article shall set up and maintain a proper system of accounts in accordance with the requirements of the public service commission, showing the amount of revenues received from such waterworks or electric power system and the application of the same. At least once each year such municipality or county commission shall cause such accounts to be properly audited, and a report of such audit shall be open to the public for inspection at all reasonable times.

Acts 1939, c. 98, § 10; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐885.
Westlaw Topic No. 268.

C.J.S. Municipal Corporations §§ 1628 to 1629.

§ 8–19–16. Protection and enforcement of rights of bondholders, etc.; receivership

Any holder of any bonds issued under the provisions of this article or of any coupons representing interest accrued thereon may by civil action, mandamus or other proper proceeding enforce the statutory mortgage lien created and granted in section eight of this article, protect and enforce any and all rights granted hereunder or under any such ordinance, order or trust indenture, and may enforce and compel performance of all duties required by the provisions of this article or by any such ordinance, order or trust indenture to be performed by the municipality or county commission, or by the governing body or any officer, including the making and collecting of reasonable and sufficient rates or charges for services rendered by the waterworks or electric power system. If there be default in the payment of the principal of or interest upon any of such bonds, or of both principal and interest, any court having jurisdiction shall

appoint a receiver to administer said waterworks or electric power system on behalf of the municipality or county commission, and the bondholders or trustee, or both, with power to charge and collect rates or charges sufficient to provide for the retirement of the bonds and pay the interest thereon, and for the payment of the repair, maintenance and operation expenses, and such receiver shall apply the revenues in conformity with the provisions of this article and the ordinance or order pursuant to which such bonds have been issued or any trust indenture, or both.

Acts 1933, Ex. Sess., c. 26, § 12; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐955(1).
Westlaw Topic No. 268.

PART V—GRANTS, LOANS, ADVANCES AND AGREEMENTS; CUMULATIVE AUTHORITY

§ 8-19-17. Grants, loans, advances and agreements

As an alternative to, or in conjunction with, the issuance of revenue bonds authorized by this article, any municipality or county commission is hereby empowered and authorized to accept loans or grants and procure loans or temporary advances evidenced by notes or other negotiable instruments issued in the manner, and subject to the privileges and limitations, set forth with respect to bonds authorized to be issued under the provisions of this article, or otherwise enter into agreement, including, but not limited to, agreements of indemnity, assurance or guarantee with respect to, and for the purpose of financing part or all of, the cost of acquisition, construction, establishment, extension or equipment of waterworks or electric power systems and the construction of additions, betterments and improvements to existing waterworks systems or to existing electric power systems, and for the other purposes herein authorized, from or with any authorized agency of the state or from the United States of America or any federal or public agency or department of the United States or any private agency, corporation or individual, which loans or temporary advances, including the interest thereon, or the municipality's or county's financial obligations contained in such other agreements, which need not bear interest, may be repaid out of the proceeds of bonds authorized to be issued under the provisions of this article, the revenues of or proceeds from the said waterworks system or electric power system or grants to the municipality or county commission from any agency of the state or from the United States of America or any federal or public agency or department of the United States or any private agency, corporation or individual or from any combination of such sources of payment, and may be secured in the manner provided in sections eight, nine and sixteen of this article to secure bonds issued under the provisions of this article, but shall not otherwise be subject to the requirements of sections eleven and twelve of this article, and to enter into the necessary contracts and agreements to carry out the purposes hereof with any agency of the state, the United States of America or any federal or public agency or

department of the United States, or with any private agency, corporation or individual.

In no event shall any such loan or temporary advance or agreement be a general obligation of the municipality or county and such loans or temporary advances or agreements, including the interest thereon, shall be paid solely from the sources specified in this section.

Acts 1961, c. 105; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1981, 1st Ex. Sess., c. 2; Acts 1986, c. 118; Acts 1986, 1st Ex. Sess., c. 18; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐908.
Westlaw Topic No. 268.
C.J.S. Municipal Corporations §§ 1646, 1652.

§ 8–19–18. Additional and alternative method for constructing or improving and for financing waterworks or electric power system; cumulative authority

This article shall, without reference to any other statute or charter provision, be deemed full authority for the acquisition, construction, establishment, extension, equipment, additions, betterment, improvement, repair, maintenance and operation of or to a waterworks or electric power system or for the construction of any additions, betterments, improvements, repairs, maintenance or operation of or to an existing electric power system as herein provided and for the issuance and sale of the bonds or the alternative methods of financing by this article authorized, and shall be construed as an additional and alternative method therefor and for the financing thereof, and no petition, referendum or election or other or further proceeding with respect to any such undertaking or to the issuance or sale of bonds or the alternative methods of financing under the provisions of this article and no publication of any resolution, ordinance, order, notice or proceeding relating to any such undertaking or to the issuance or sale of such bonds or the alternative methods of financing shall be required, except as prescribed by this article, any provisions of other statutes of the state to the contrary notwithstanding: Provided, That all functions, powers and duties of the state division of health shall remain unaffected by this article.

This article shall be construed as cumulative authority for any undertaking herein authorized, and shall not be construed to repeal any existing laws with respect thereto.

Acts 1933, Ex. Sess., c. 26, § 13; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1986, 1st Ex. Sess., c. 18; Acts 1990, c. 141.

Library References

Municipal Corporations ⇐271, 272.
Westlaw Topic No. 268.

PART VI—OPERATION BY BOARD; CONSTRUCTION

§ 8-19-19. Alternative procedure for acquisition, construction or improvement of waterworks or electric power system

As an alternative to the procedures hereinabove provided, any municipality or county commission is hereby empowered and authorized to acquire, construct, establish, extend, equip, repair, maintain and operate a waterworks or an electric power system or to construct, maintain and operate additions, betterments and improvements to an existing waterworks system or an existing electric power system, whether acquired, constructed, established, extended or equipped under the provisions of this article or not, and to collect the revenues therefrom for the services rendered thereby, through the supervision and control of a committee, by whatever name called, composed of all or a portion of the governing body, or of a board or commission appointed by such governing body, as may be provided by the governing body, and if such alternative is followed, said committee, board or commission shall have and be limited to all the powers, authority and duties granted to and imposed upon a board as provided in article sixteen of this chapter.

Acts 1961, c. 104; Acts 1969, c. 86; Acts 1978, c. 72; Acts 1990, c. 141.

Library References

Electricity ⇐1.5.
Water Law ⇐1869.
Westlaw Topic Nos. 145, 405.
C.J.S. Electricity §§ 13 to 21.

§ 8-19-20. Article to be liberally construed

This article is necessary for the public health, safety and welfare and shall be liberally construed to effectuate its purposes.

Acts 1933, Ex. Sess., c. 26, § 14; Acts 1969, c. 86; Acts 1990, c. 141.

§ 8-19-21. Specifications for water mains and water service pipes

Considering the importance of public fire protection, any state or local government, public service district, public or private utility which installs or constructs water mains, shall ensure that all new mains specifically intended to provide fire protection are not less than six inches in diameter. Effective the first day of July, two thousand seven, when any state or local government, public service district, public or private utility installs or constructs water mains along a platted roadway or a public highway, using a six inch or greater line, that is specifically designed to provide fire protection, the state or local government, public service district, public or private utility shall install fire hydrants at intervals of not more than two thousand feet, unless there are no dwellings or businesses located one thousand feet from such proposed hydrant: *Provided*, That the Legislature shall study the effect, cost and feasibility of the internal hydrant valve and report the findings of that study to the regular session of the Legislature in the year two thousand and eight. A permit or other written approval shall be obtained from the Department of Health and Human Resources for each hydrant or group of hydrants installed in compli-

ance with section nine, article one, chapter sixteen of the West Virginia Code as amended: *Provided, however,* That all newly constructed water distribution systems transferred to a public or private utility shall have mains at least six inches in diameter where fire flows are required by the public or private utility: *Provided further,* That the utility providing service has sufficient hydraulic capacity as determined by the Department of Health and Human Resources.

Acts 1994, c. 31; Acts 2007, c. 187, eff. June 16, 2007.

Library References

Water Law ⇐2080.
Westlaw Topic No. 405.

§ 8–19–22. Identification requirement for fire hydrants that are inoperable or unavailable for use in emergency situations

(a) The owner or operator of a fire hydrant or any device having the appearance of a fire hydrant that is located in a place that an entity responsible for providing fire suppression services in a fire emergency would expect a fire hydrant to typically be located, shall mark the fire hydrant or device, as set out in subsection (b) of this section, if the owner or operator has actual knowledge that the fire hydrant or device is inoperable or is unavailable for use by an entity providing fire suppression services in a fire emergency.

(b) To mark the fire hydrant or device, the owner or operator of the fire hydrant or device shall:

(1) Paint the fire hydrant or device black if the fire hydrant or device is inoperable or unavailable for use; or

(2) Place a black tarp over the fire hydrant or device if the device is temporarily inoperable or temporarily unavailable for use in a fire emergency, for a period not to exceed fourteen days.

(c) For the purposes of this section, the word "inoperable" means a fire hydrant that does not produce water flow when activated.

Acts 2009, c. 163, eff. July 9, 2009.

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

400 White Oaks Boulevard
Bridgeport, WV 26330
(304) 933-8000 (304) 933-8183 Fax
www.steptoe-johnson.com

Writer's Contact Information
Thomas.Aman@steptoe-johnson.com
(304) 933-8136 – Telephone
(304) 933-8183 - Fax

May 22, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A

CERTIFIED MAIL - RETURN RECEIPT REQUESTED
Department of the Treasury
Internal Revenue Service Center
Ogden, Utah 84201

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 issue. Please file the original form in the appropriate Internal Revenue Service records and return the copy marked as the "Acknowledgement Copy" to me (after acknowledging receipt of the same) in the enclosed stamped, self-addressed envelope.

Thank you for your attention to this letter. If you have any questions regarding any of the issues set forth herein, or if I can be of any service, please do not hesitate to call.

My best regards.

Very truly yours,

Thomas L. Aman, Jr.

TLA
Enclosures

Form **8038-G**
(Rev. September 2011)
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 City of Clarksburg	2 Issuer's employer identification number (EIN) 55-6000164
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Thomas L. Aman, Jr.	3b Telephone number of other person shown on 3a 304.933.8136
4 Number and street (or P.O. box if mail is not delivered to street address) Room/suite 400 White Oaks Boulevard	5 Report number *(For IRS Use Only)* 3
6 City, town, or post office, state, and ZIP code Bridgeport, West Virginia 26330	7 Date of issue April 26, 2013
8 Name of issue Water Refunding Revenue Bonds, Series 2013 A	9 CUSIP number 182072DG0
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Frank Ferrari, Finance Director	10b Telephone number of officer or other employee shown on 10a 304.624.1650

Part II Type of Issue (enter the issue price). See the 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		
16	Housing	16		
17	Utilities	17	9,220,655	50
18	Other. Describe ▶	18		
19	If obligations are TANs or RANs, check only box 19a ▶ ☐ If obligations are BANs, check only box 19b ▶ ☐			
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	9/01/2019	$ 9,220,655.50	$ 9,220,000	3.521 years	1.86613 %

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	9,220,655	50
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	317,180 54			
25	Proceeds used for credit enhancement	25	0			
26	Proceeds allocated to reasonably required reserve or replacement fund	26	922,000			
27	Proceeds used to currently refund prior issues	27	7,981,474 96			
28	Proceeds used to advance refund prior issues	28	0			
29	Total (add lines 24 through 28)			29	9,220,655	50
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	0	

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

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	3.555 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 (MM/DD/YYYY) ▶	05/29/2013
34	Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	7/25/2002

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35		
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a		
b	Enter the final maturity date of the GIC ▶			
c	Enter the name of the GIC provider ▶			
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37		

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the following information:

b Enter the date of the master pool obligation ▶

c Enter the EIN of the issuer of the master pool obligation ▶

d Enter the name of the issuer of the master pool obligation ▶

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☑

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

41a If the issuer has identified a hedge, check here ▶ ☐ and enter the following information:

b Name of hedge provider ▶

c Type of hedge ▶

d Term of hedge ▶

42 If the issuer has superintegrated the hedge, check box ▶ ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶ ☑

44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶ ☑

45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ ☐ and enter the amount of reimbursement ▶

b Enter the date the official intent was adopted ▶

Signature and Consent

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. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative — Date: 4/25/13 — Martin Howe, City Manager (Type or print name and title)

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Thomas L. Aman Jr.		4/26/13		P01084844

Firm's name ▶ Steptoe & Johnson PLLC — Firm's EIN ▶ 55-0286140

Firm's address ▶ 400 White Oaks Boulevard, Bridgeport, West Virginia 26330 — Phone no. 304.933.8136

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Department of the Treasury
Internal Revenue Service Center
Ogden, Utah 84201

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

RECEIVED MAY 28 2013 OGDEN, UT

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7004 1160 0001 5875 8979

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

7004 1160 0001 5875 8979

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$ .66
Certified Fee	3.10
Return Reciept Fee (Endorsement Required)	2.35
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 6.31

JG

CLARKSBURG WV 26301 MAY 22 2013 Postmark Here UNITED STATES POSTAL SERVICE

Sent To
Street, Apt. No.; or PO Box No.
City, State, ZIP+4

Department of the Treasury
Internal Revenue Service Center
Ogden, Utah 84201

PS Form 3800, June 2002 See Reverse for Instructions

WEST VIRGINIA MUNICIPAL BOND COMMISSION
Suite 1117
900 Pennsylvania Avenue, Charleston, WV 25302
(304) 558-3971 FAX: 558-1280

NEW ISSUE REPORT FORM
Date of Report: April 26, 2013

ISSUE: City of Clarksburg Water Refunding Bonds, Series 2013 A

ADDRESS: 222 West Main Street, Clarksburg, West Virginia 26301 COUNTY: Harrison

PURPOSE OF ISSUE: New Money ____ Refunding X Refunds issue(s) dated: 1-Jul-02

ISSUE DATE: April 26, 2013 CLOSING DATE: 26-Apr-13

ISSUE AMOUNT: $9,220,000 RATE: 2.2% final maturity

1st DEBT SERVICE DUE: September 1, 2013 1st PRINCIPAL DUE: 1-Sep-13

1st DEBT SERVICE AMOUNT: $705,674.47 PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Steptoe & Johnson PLLC
Contact Person: Thomas L. Aman Jr.
Phone: 304.933.8136

UNDERWRITERS COUNSEL: Jackson Kelly PLLC
Contact Person: Samme Gee, Esq.
Phone: 304.340.1318

CLOSING BANK: WesBanco Bank, Inc., 1 Bank Plaza, Wheeling, WV
Contact Person: Jan Shelburne
Phone: 304.234.9436

ESCROW TRUSTEE: Municipal Bond Commission
Contact Person: Sara Rogers, Executive Director
Phone: 304.558.3971

KNOWLEDGEABLE ISSUER CONTACT:
Contact Person: Frank Ferrari
Position: Director of Finance
Phone: 304.624.1650
Email: fferrari@cityofclarksburg.com

OTHER:
Contact Person:
Position:
Phone:

DEPOSITS TO MBC AT CLOSE: $8,990,155.50

By X Wire
____ Check
X In-house Transfer

Accrued Interest: $ N/A
Capitalized Interest: $ N/A
Reserve Account: $ 922,000.00

X	Other:	2002 Bond Sink. Fund	$ 961,713.57
X	Other:	MBC Fee	$ 763.43
X	Other:	2002 Bond Reserve	$ 1,808,383.97

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By ____ Wire
____ Check
____ IGT

2002 Prepayment Fund: $ $ 10,751,572.50
To Issuer: $
To Cons.Invest Fund $
To Other: $

NOTES: Municipal Bond Commission to Invest $10,751,572.50 on April 26, 2013 in West Virginia Consolidated Fund for redemption of Series 2002 Bonds on May 29, 2013

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required:
Transfers Required:

To: Financing Participants

From: Rob Steptoe, Crews & Associates, Inc.

Date: 4/24/2013

Re:

$9,220,000
The City of Clarksburg, West Virginia
Water Refunding Revenue Bonds
Series 2013 (Non Rated/ BQ)

Closing Memorandum

1. Pre-Closing of the Bonds will occur on Thursday, April 25, 2013 commencing at 10:30 a.m. EST at the offices of Steptoe & Johnson PLLC (the "Bond Counsel"):

   Steptoe & Johnson PLLC
   400 White Oaks Blvd.
   Bridgeport, WV 26330

2. Closing of the Bonds will occur on Friday, April 26, 2013 commencing at 11 a.m. EST via telephone.

3. Prior to 9:30 a.m. EST on Friday, April 26, 2013 Crews & Associates (the "Underwriter") will wire $8,990,155.50 to the West Virginia Municipal Bond Commission (the "Escrow Trustee"). The amounts are computed as follows:

	Total
Par Amount	$9,220,000.00
Less: Underwriter's Discount	(230,500.00)
Plus: Net Original Issue Premium	655.50
Total	**$8,990,155.50**

4. Upon receipt of the above referenced funds, the Escrow Trustee shall allocate the funds as follows:

Sources of Funds	
Purchase Price	$8,990,155.50
Transfers from Prior Issue DSR Funds	1,808,383.97
Transfer from Prior Issue Debt Service Funds	961,713.57
	11,760,253.04
Uses of Funds	
Deposit to Current Refunding Fund	$10,751,572.50
Deposit to Debt Service Reserve Fund	$922,000.00
Pay Costs of Issuance	83,263.43
Rounding Amount to 2013 Sinking Fund	3,417.11
Total Uses of Funds	**$11,760,253.04**

5. The Municipal Bond Commission will use funds on deposit for the City of Clarksburg in connection with the Refunded Bonds to add to Bond Proceeds and invest in the Consolidated Fund sufficient to defease the Refunded Bonds on May 29, 2013.

Funds from 2013 Refunding Bonds	7,981,474.96
Prior Issue Debt Service Funds	961,713.57
Prior Issue Debt Service Reserve Funds	1,808,383.97
Total Investment	**10,751,572.50**

6. Immediately following the closing of the bonds, the Escrow Trustee wire funds for Costs of Issuance to WesBanco, whom shall pay prior approved Costs of Issuance as detailed in Exhibit A. ***Note: Escrow Trustee will retain Paying Agent fee in the amount of $763.43.***

7. Wire instructions for the parties are as follows:

   a. Escrow Trustee – The Municipal Bond Commission
   BB&T WV
   250 East Second Avenue
   Williamson, WV 25661

   Account Name: State of West Virginia
   Account #: 5270517317
   ABA#: 051503394
   Contact Person: Sara Rogers, Executive Director
   Phone Number: 304 558-3971

   b. Registrar – WesBanco Trust & Investment Services
   ABA # 043400036
   Attn: J. Shelburne
   Credit GL A/C # 20520700 for further
   Credit Acct # 1085006326
   i/n/o Clarksburg Water 2013

8. Mailing instructions for the parties are as follows:

   - Underwriter - Crews & Associates, Inc.
   521 President Clinton Ave, Suite 800
   Little Rock, AR 72207

   - Underwriter's Counsel – Jackson Kelly PLLC
   P.O. Box 553
   Charleston, WV 25322

- Bond Counsel – Steptoe & Johnson PLLC
  P.O. Box 247
  Bridgeport, WV 26330

- Registrar – WesBanco
  1 Bank Plaza
  Wheeling, WV 26003

- Perry And Associates
  428 Second Street
  Marietta, OH 45750

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Exhibit A

Costs of Issuance	Payable To	Amount
Bond Counsel	Steptoe & Johnson PLLC	45,000.00
Underwriter's Counsel	Jackson Kelly PLLC	35,000.00
Accounting Fees	Perry and Associates	900.00
Paying Agent Fee	Municipal Bond Commission	763.43
Registrar	WesBanco	1,500.00
Early Redemption Fee	WesBanco	100.00
Total		**$83,263.43**

Agreed upon and accepted this 24 day of April, 2013.

By: _____
Mayor of the City of Clarksburg

By: _____
City Manager of the City of Clarksburg

By: _____
President of Water Board

Final

$9,220,000

City of Clarksburg (West Virginia)
Water Refunding Revenue Bonds
Refunding Series 2002 (Non-Rated/BQ)

Refunding Summary

Dated 04/26/2013 | Delivered 04/26/2013

Sources Of Funds	
Par Amount of Bonds	$9,220,000.00
Transfers from Prior Issue DSR Funds	1,808,383.97
Transfers from Prior Issue Debt Service Funds	961,713.57
Reoffering Premium	655.50
Total Sources	**$11,990,753.04**

Uses Of Funds	
Deposit to Current Refunding Fund	10,751,572.50
Deposit to Debt Service Reserve Fund (DSRF)	922,000.00
Total Underwriter's Discount (2.500%)	230,500.00
Bond Counsel	45,000.00
Underwriter's Counsel	35,000.00
Rounding Amount	4,167.11
Accounting Fees	900.00
Paying Agent	763.43
Registrar	750.00
Early Redemption Fee	100.00
Total Uses	**$11,990,753.04**

Flow of Funds Detail

State and Local Government Series (SLGS) rates for	
Date of OMP Candidates	
Current Refunding Escrow Solution Method	Gross Funded
Total Cost of Investments	$10,751,572.50
Total Draws	$10,751,572.50
Debt Service Reserve Fund Solution Method	Gross Funded
Total Cost of Investments	$922,000.00
Total Draws	$922,000.00

Issues Refunded And Call Dates

Clarksburg Water 2002	5/29/2013

PV Analysis Summary (Net to Net)

Net PV Cashflow Savings @ 1.866%(Bond Yield)	1,789,587.61
Transfers from Prior Issue Debt Service Fund	(961,713.57)
Contingency or Rounding Amount	4,167.11
Net Present Value Benefit	$832,041.15
Net PV Benefit / $10,515,000 Refunded Principal	7.913%
Net PV Benefit / $9,220,000 Refunding Principal	9.024%

Bond Statistics

Average Life	3.521 Years
Average Coupon	1.8725572%
Net Interest Cost (NIC)	2.5806123%
Bond Yield for Arbitrage Purposes	1.8661252%
True Interest Cost (TIC)	2.6204626%
All Inclusive Cost (AIC)	2.8971747%

Crews & Associates, Inc.
Public Finance

Final

$9,220,000

City of Clarksburg (West Virginia)
Water Refunding Revenue Bonds
Refunding Series 2002 (Non-Rated/BQ)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
09/01/2013	Serial Coupon	1.000%	0.600%	475,000.00	100.138%	475,655.50
09/01/2014	Serial Coupon	1.100%	1.100%	1,520,000.00	100.000%	1,520,000.00
09/01/2015	Serial Coupon	1.350%	1.350%	1,535,000.00	100.000%	1,535,000.00
09/01/2016	Serial Coupon	1.650%	1.650%	1,560,000.00	100.000%	1,560,000.00
09/01/2017	Serial Coupon	2.000%	2.000%	1,585,000.00	100.000%	1,585,000.00
09/01/2018	Serial Coupon	2.100%	2.100%	1,620,000.00	100.000%	1,620,000.00
09/01/2019	Serial Coupon	2.200%	2.200%	925,000.00	100.000%	925,000.00
Total	-	-	-	**$9,220,000.00**	-	**$9,220,655.50**

Bid Information

Par Amount of Bonds	$9,220,000.00
Reoffering Premium or (Discount)	655.50
Gross Production	$9,220,655.50
Total Underwriter's Discount (2.500%)	$(230,500.00)
Bid (97.507%)	8,990,155.50
Total Purchase Price	$8,990,155.50
Bond Year Dollars	$32,461.39
Average Life	3.521 Years
Average Coupon	1.8725572%
Net Interest Cost (NIC)	2.5806123%
True Interest Cost (TIC)	2.6204626%

Crews & Associates, Inc.
Public Finance

Final

$9,220,000

City of Clarksburg (West Virginia)
Water Refunding Revenue Bonds
Refunding Series 2002 (Non-Rated/BQ)

Debt Service Comparison

Date	Total P+I	DSR	Net New D/S	Old Net D/S	Savings
09/01/2013	528,473.09	-	524,305.98	587,105.18	62,799.20
09/01/2014	1,669,252.50	-	1,669,252.50	1,829,837.50	160,585.00
09/01/2015	1,667,532.50	-	1,667,532.50	1,829,225.00	161,692.50
09/01/2016	1,671,810.00	-	1,671,810.00	1,834,937.50	163,127.50
09/01/2017	1,671,070.00	-	1,671,070.00	1,836,450.00	165,380.00
09/01/2018	1,674,370.00	-	1,674,370.00	1,838,762.50	164,392.50
09/01/2019	945,350.00	(922,000.00)	23,350.00	28,228.53	4,878.53
Total	**$9,827,858.09**	**(922,000.00)**	**$8,901,690.98**	**$9,784,546.21**	**$882,855.23**

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	2,577,393.95
Effects of changes in DSR investments	(787,806.34)
Net PV Cashflow Savings @ 1.866%(Bond Yield)	1,789,587.61
Transfers from Prior Issue Debt Service Fund	(961,713.57)
Contingency or Rounding Amount	4,167.11
Net Present Value Benefit	$832,041.15
Net PV Benefit / $10,515,000 Refunded Principal	7.913%
Net PV Benefit / $9,220,000 Refunding Principal	9.024%

Refunding Bond Information

Refunding Dated Date	4/26/2013
Refunding Delivery Date	4/26/2013

Crews & Associates, Inc.
Public Finance

Final

$16,260,000

City of Clarksburg (West Virginia)
Water Refunding Revenue Bonds
Series 2002

Debt Service To Maturity And To Call

Date	Refunded Bonds	Premium	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
04/26/2013	-	-	-	-	-	-	-	-
05/29/2013	10,515,000.00	105,150.00	131,422.50	10,751,572.50	-	-	-	-
09/01/2013	-	-	-	-	1,280,000.00	4.125%	268,818.75	1,548,818.75
03/01/2014	-	-	-	-	-	-	242,418.75	242,418.75
09/01/2014	-	-	-	-	1,345,000.00	5.250%	242,418.75	1,587,418.75
03/01/2015	-	-	-	-	-	-	207,112.50	207,112.50
09/01/2015	-	-	-	-	1,415,000.00	5.250%	207,112.50	1,622,112.50
03/01/2016	-	-	-	-	-	-	169,968.75	169,968.75
09/01/2016	-	-	-	-	1,495,000.00	5.250%	169,968.75	1,664,968.75
03/01/2017	-	-	-	-	-	-	130,725.00	130,725.00
09/01/2017	-	-	-	-	1,575,000.00	5.250%	130,725.00	1,705,725.00
03/01/2018	-	-	-	-	-	-	89,381.25	89,381.25
09/01/2018	-	-	-	-	1,660,000.00	5.250%	89,381.25	1,749,381.25
03/01/2019	-	-	-	-	-	-	45,806.25	45,806.25
09/01/2019	-	-	-	-	1,745,000.00	5.250%	45,806.25	1,790,806.25
Total	**$10,515,000.00**	**$105,150.00**	**$131,422.50**	**$10,751,572.50**	**$10,515,000.00**	**-**	**$2,039,643.75**	**$12,554,643.75**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	4/26/2013
Average Life	3.555 Years
Average Coupon	5.2366242%
Weighted Average Maturity (Par Basis)	3.555 Years

Refunding Bond Information

Refunding Dated Date	4/26/2013
Refunding Delivery Date	4/26/2013

Crews & Associates, Inc.
Public Finance

Final

$9,220,000

City of Clarksburg (West Virginia)
Water Refunding Revenue Bonds
Refunding Series 2002 (Non-Rated/BQ)

Proof Of Bond Yield @ 1.8661252%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
04/26/2013	-	1.0000000x	-	-
09/01/2013	528,473.09	0.9935712x	525,075.64	525,075.64
03/01/2014	74,626.25	0.9843863x	73,461.05	598,536.69
09/01/2014	1,594,626.25	0.9752862x	1,555,217.01	2,153,753.71
03/01/2015	66,266.25	0.9662703x	64,031.11	2,217,784.82
09/01/2015	1,601,266.25	0.9573378x	1,532,952.64	3,750,737.46
03/01/2016	55,905.00	0.9484878x	53,025.21	3,803,762.67
09/01/2016	1,615,905.00	0.9397196x	1,518,497.60	5,322,260.27
03/01/2017	43,035.00	0.9310325x	40,066.98	5,362,327.25
09/01/2017	1,628,035.00	0.9224257x	1,501,741.29	6,864,068.54
03/01/2018	27,185.00	0.9138984x	24,844.33	6,888,912.87
09/01/2018	1,647,185.00	0.9054500x	1,491,443.68	8,380,356.55
03/01/2019	10,175.00	0.8970797x	9,127.79	8,389,484.34
09/01/2019	935,175.00	0.8887868x	831,171.16	9,220,655.50
Total	**$9,827,858.09**	-	**$9,220,655.50**	-

Derivation Of Target Amount

Par Amount of Bonds	$9,220,000.00
Reoffering Premium or (Discount)	655.50
Original Issue Proceeds	$9,220,655.50

Crews & Associates, Inc.
Public Finance

Final

$9,220,000

City of Clarksburg (West Virginia)
Water Refunding Revenue Bonds
Refunding Series 2002 (Non-Rated/BQ)

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Price	Issuance Price	Exponent	Bond Years
04/26/2013	-	-	-	-	-
09/01/2013	475,000.00	100.138%	475,655.50	0.3472222x	165,158.16
09/01/2014	1,520,000.00	100.000%	1,520,000.00	1.3472222x	2,047,777.78
09/01/2015	1,535,000.00	100.000%	1,535,000.00	2.3472222x	3,602,986.11
09/01/2016	1,560,000.00	100.000%	1,560,000.00	3.3472222x	5,221,666.67
09/01/2017	1,585,000.00	100.000%	1,585,000.00	4.3472222x	6,890,347.22
09/01/2018	1,620,000.00	100.000%	1,620,000.00	5.3472222x	8,662,500.00
09/01/2019	925,000.00	100.000%	925,000.00	6.3472222x	5,871,180.56
Total	**$9,220,000.00**	-	**$9,220,655.50**	-	**$32,461,616.49**

IRS Form 8038

Weighted Average Maturity = Bond Years/Issue Price	3.521 Years
Total Interest from Debt Service	607,858.09
Reoffering (Premium) or Discount	(655.50)
Total Interest	607,202.59
NIC = Interest / (Issue Price * Average Maturity)	1.8705248%
Bond Yield for Arbitrage Purposes	1.8661252%

WEST VIRGINIA
Water Development Authority
Celebrating 36 Years of Service ***1974 - 2012***

April 26, 2013

City of Clarksburg
Water Refunding Revenue Bonds, Series 2013 A
(Tax-Exempt)

TO WHOM IT MAY CONCERN:

In reliance upon the certificate of Perry & Associates Certified Public Accountants, A.C., a firm of independent certified public accountants, stating that the coverage and parity requirements have been met, and an opinion of Steptoe & Johnson PLLC, as bond counsel, the undersigned duly authorized representative for the West Virginia Water Development Authority, the registered owner of the Prior Bonds, hereinafter defined and described, hereby consents to the issuance of the Water Refunding Revenue Bonds, Series 2013 A (Tax-Exempt), in the original aggregate principal amount of $9,220,000 (the "Bonds") by the City of Clarksburg (the "Issuer"), under the terms of the bond ordinance authorizing the Bonds, on a parity with respect to liens, pledge and source of and security for payment, with the Issuer's: (1) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850 (the "Series 2001 A Bonds"); and (2) Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), dated September 28, 2004, issued in the original aggregate principal amount of $1,885,764 (the "Series 2004 A Bonds"), (collectively, the "Prior Bonds").

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Sheila A. Miller
Authorized Representative

1009 Bullitt Street, Charleston, WV 25301
Phone (304) 414-6500 / fax (304) 414-0865
www.wvwda.org

2001

CITY OF CLARKSBURG

WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM)

BOND ORDINANCE

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CITY OF CLARKSBURG

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF CLARKSBURG AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $3,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

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

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

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

B. The Issuer presently owns and operates through the Clarksburg Water Board (the "Board") a municipal waterworks treatment and distribution system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements to the existing public waterworks system of the Issuer, consisting of a new 2 million-gallon water storage tank, together with all appurtenant facilities (collectively, the "Project") (the existing public waterworks system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System") at an estimated cost of not more than $3,000,000, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

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

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), in the total aggregate principal amount of not more than $3,000,000 (the "Series 2001 A Bonds"), to be initially represented by a single bond, to permanently 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 Series 2001 A Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2001 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, including the Administrative Fee (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2001 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2001 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 25 years.

F. It is in the best interests of the Issuer that its Series 2001 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the West Virginia Bureau for Public Health (the "BPH"), in form satisfactory to the Issuer, the Authority and the BPH (the "Loan Agreement"), to be approved hereby if not previously approved by ordinance of the Issuer.

G. There is an outstanding obligation of the Issuer which will rank on a parity with the Series 2001 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's Waterworks Improvement and Refunding Revenue Bonds, Series 1992 (the "Prior Bonds"), dated December 1, 1992, issued in the original aggregate principal amount of $25,500,405, pursuant to an ordinance of the Issuer enacted December 17, 1992 (the "Prior Ordinance").

The Series 2001 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2001 A Bonds, the Issuer will obtain a certificate of an Independent Certified Public Accountant stating that the parity test of the Prior Bonds is met. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

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

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2001 A Bonds, 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 Series 2001 A Bonds or such final order will not be subject to appeal or rehearing.

J. The Project has been reviewed and determined to be technically and financially feasible by the West Virginia Infrastructure and Jobs Development Council (the

"Council") as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2001 A Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, 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, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

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

"Administrative Fee" means any administrative fee required to be paid pursuant to the Loan Agreement for the Series 2001 A Bonds.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2001 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the BPH under the Act.

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

"Board" means the Clarksburg Water Board, existing under Section 25 of the Charter of the Issuer and having powers and duties set forth in Section 27 of such Charter.

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

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

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

"Bonds" means, collectively, the Series 2001 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

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

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

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

"Closing Date" means the date upon which there is an exchange of the Series 2001 A Bonds for all or a portion of the proceeds of the Series 2001 A Bonds from the Authority.

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

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

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

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

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

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

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

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

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

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

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

"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, and includes any proceeds from the sale or other disposition of capital assets, but does not include any increase in the value of capital assets (including Qualified Investments).

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

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

"Investment Property" means:

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

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

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

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

"Issuer" means the City of Clarksburg, a municipal corporation and political subdivision of the State of West Virginia, in Harrison County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means, the Loan Agreement heretofore entered, or to be entered, into by and between the Issuer and the Authority, on behalf of the BPH, providing for the purchase of the Series 2001 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2001 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2001 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2001 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

"Net Revenues" means Gross Revenues less Operating Expenses, as hereinafter defined.

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

"Operating Expenses" unless qualified, means the current expenses, paid or accrued, 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, supplies, labor, wages, cost of materials and supplies used for current operations, the Administrative Fee, fees and expenses

of the Authority, fiscal agents, the Depository Bank, the Registrar and Paying Agent (all as hereinafter defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

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

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

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

"Paying Agent" means the Commission or such other entity or authority as may be designated as a Paying Agent for the Series 2001 A Bonds by the Issuer in the Supplemental Resolution.

"Prior Bonds" means the Issuer's Waterworks Improvement and Refunding Revenue Bonds, Series 1992, dated December 1, 1992, issued in the original principal amount of $25,500,405.

"Prior Ordinance" means, collectively, the ordinance of the Issuer enacted December 17, 1992, and the Supplemental Resolution of the Issuer adopted December 17, 1992, authorizing the issuance of the Prior Bonds.

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

"Project" means the Project as described in Section 1.20B hereof.

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

(a) Government Obligations;

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

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

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

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

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

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase

agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

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

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

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

"Registrar" means the Bond Registrar.

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

"Reserve Accounts" means, collectively, the respective Reserve Accounts established for the Series 2001 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts to be on deposit in any Reserve Account for the Prior Bonds and the Series 2001 A Bonds.

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

"Series 2001 A Bonds" means not more than $3,000,000 in aggregate principal amount of Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), of the Issuer, authorized by this Ordinance.

"Series 2001 A Bonds Construction Trust Fund" means the Series 2001 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2001 A Bonds Reserve Account" means the Series 2001 A Bonds Reserve Account established in the Series 2001 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 2001 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 2001 A Bonds in the then current or any succeeding year.

"Series 2001 A Bonds Sinking Fund" means the Series 2001 A Bonds Sinking Fund established by Section 5.02 hereof.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2001 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2001 A Bonds, and not so included may be included in another Supplemental Resolution.

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

"System" means, collectively, the complete existing municipal waterworks system of the Issuer, consisting of a water filtration and treatment plant, reservoirs, water tanks, distribution lines and booster stations now owned by the Issuer or any integral part thereof, and all other facilities necessary, appropriate, useful, convenient or incidental in connection with or to a waterworks system, and shall include any additions, betterments and improvements thereto hereafter acquired or constructed for said waterworks system from any sources whatsoever, both within and without the Issuer.

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

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

Additional terms and phrases are defined in this Ordinance as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing

the masculine, feminine or neuter gender shall include any other gender; and any requirement for execution or attestation of the Bonds or any certificate or other document by the Mayor or the City Clerk shall mean that such Bonds, certificate or other document may be executed or attested by an Acting Mayor or Acting City Clerk.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $3,000,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2001 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and has entered into or will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the Authority and the BPH.

The cost of the Project is estimated not to exceed $3,000,000, of which the entire amount will be obtained from proceeds of the Series 2001 A Bonds.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2001 A Bonds, funding a reserve account for the Series 2001 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2001 A Bonds of the Issuer. The Series 2001 A Bonds shall be issued as a single bond, designated "Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program)", in the principal amount of not more than $3,000,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2001 A Bonds remaining after funding of the Series 2001 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2001 A Bonds, if any, shall be deposited in or credited to the Series 2001 A Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 2001 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2001 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest, if any, on the Series 2001 A 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 Series 2001 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2001 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2001 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2001 A Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2001 A Bonds shall cease to be such officer of the Issuer before the Series 2001 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2001 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2001 A Bonds shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2001 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2001 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2001 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that such Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2001 A Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

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

In all cases in which the privilege of exchanging Series 2001 A Bonds or transferring the registered Series 2001 A Bonds are exercised, all Series 2001 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2001 A Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Series 2001 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2001 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2001 A Bonds or, in the case of any proposed redemption of Series 2001 A Bonds, next preceding the date of the selection of Series 2001 A Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2001 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2001 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 2001 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2001 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of the Series 2001 A Bonds shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operations of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. Such Gross Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2001 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2001 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2001 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2001 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2001 A Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2001 A Bonds.

Section 3.10. Form of Series 2001 A Bonds. The text of the Series 2001 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG
WATER REVENUE BONDS,
SERIES 2001 A
(WEST VIRGINIA DWTRF PROGRAM)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation and political subdivision of the State of West Virginia in Harrison County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ _____ ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 200_, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference, with interest payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 200__, at the rate per annum as set forth on EXHIBIT B attached hereto.

The Administrative Fee (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20____, as set forth on EXHIBIT B attached hereto.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). 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 Branch Banking and Trust Company, 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 the West Virginia Bureau for Public Health (the "BPH") and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated _____, 2001.

This Bond is issued (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project, and any further extensions, additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2001, and a Supplemental Resolution duly adopted by the Issuer on _____, 2001 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATERWORKS IMPROVEMENT AND REFUNDING REVENUE BONDS, SERIES 1992, DATED DECEMBER 1, 1992, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $25,500,405 (THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2001 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Gross Revenues, the moneys in the Series 2001 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall

be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 120% of the maximum amount payable in any year for principal of and interest on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, so long as the Prior Bonds are outstanding, and thereafter, 115% of such amount; provided however, that when the Prior Bonds are no longer outstanding and so long as there exists in the Series 2001 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated _____, 2001.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2001 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: _____, 2001.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2001 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor and/or the City Manager are specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the City Clerk is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated into this Bond Legislation.

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

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

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

(2) Depreciation Fund (established by the Prior Ordinance);

(3) Operation and Maintenance Fund (established by the Prior Ordinance); and

(4) Series 2001 A Bonds Construction Trust Fund.

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

(1) Series 1992 Bonds Sinking Fund (established by the Prior Ordinance);

(2) Within the Series 1992 Bonds Sinking Fund, the Series 1992 Bonds Reserve Account (established by the Prior Ordinances);

(3) Within the Series 1992 Bonds Sinking Fund, the Series 1992 Bonds Redemption Account (established by the Prior Ordinance);

(4) Series 2001 A Bonds Sinking Fund; and

(5) Within the Series 2001 A Bonds Sinking Fund, the Series 2001 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt

in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and in the Prior Ordinance and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation and in the Prior Ordinance. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1992 Bonds Sinking Fund, the amount required by the Prior Ordinance for payment of interest on the Prior Bonds; and (ii) commencing 3 months prior to the first date of payment of interest on the Series 2001 A Bonds, for which interest has not been capitalized or as required in the Loan Agreement, for deposit in the Series 2001 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will become due on the Series 2001 A Bonds on the next ensuing quarterly interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2001 A Bonds Sinking Fund and the next quarterly interest payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1992 Bonds Sinking Fund, and in the Series 1992 Bonds Redemption Account therein in the case of Term Bonds which are to be redeemed, the amount required by the Prior Ordinance for payment of principal of the Prior Bonds; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2001 A Bonds, for deposit in the Series 2001 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and come due on the Series 2001 A Bonds on the next ensuring quarterly principal payment; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2001 A Bond Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and deposit in the Operation and Maintenance Fund an amount sufficient to pay all Operating Expenses of the System.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1992 Bonds Reserve Account, the amount required by the Prior Ordinance; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2001 A Bonds, if not fully funded upon issuance of the Series 2001 A Bonds, for deposit in the Series 2001 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2001 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2001 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 2001 A Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund to the Depreciation Fund (as required in the Prior Ordinance and not in addition thereto), an amount equal to not less than 5% of the Gross Revenues each month, so long as the Prior Bonds are outstanding, and thereafter, 2 1/2% of such amount. All funds in the Depreciation 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 Depreciation Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with moneys from the Depreciation Fund.

Moneys in the Series 2001 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2001 A Bonds as the same shall become due. Moneys in the Series 2001 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2001 A Bonds as the

same shall come due, when other moneys in the Series 2001 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 2001 A Bonds Sinking Fund and the Series 2001 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2001 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2001 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2001 A Bonds Reserve Account which result in a reduction in the balance of the Series 2001 A Bonds Reserve Account to below the Series 2001 A Bonds Reserve Requirement shall be subsequently restored from the first Gross Revenues available after all required payments have been made in full in the priority set forth above.

As and when additional Bonds ranking on a parity with the Series 2001 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve accounts in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2001 A Bonds Sinking Fund or the Series 2001 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2001 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 2001 A Bonds and the Prior Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2001 A Bonds Sinking Fund and the Series 2001 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. If required by either the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into the Series 2001 A Bonds Sinking Fund and the Series 2001 A Bonds Reserve Account shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Moneys in the Series 2001 A Bonds Sinking Fund and the Series 2001 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2001 A Bonds Sinking Fund and the Series 2001 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2001 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if such day is not a business day, then the first business day of each month), deposit with the Commission the required principal, interest and reserve account payments with respect to the Series 2001 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall also on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the Administrative Fee as set forth in the Schedule Y attached to the Loan Agreement.

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

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

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

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

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

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of the Series 2001 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2001 A Bonds, there shall first be deposited with the Commission in the Series 2001 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2001 A Bonds for the period commencing on the date of issuance of the Series 2001 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2001 A Bonds, there shall be deposited with the Commission in the Series 2001 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2001 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 2001 A Bonds, such moneys shall be deposited with the Depository Bank in the Series 2001 A Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2001 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2001 A Bonds shall be applied as directed by the BPH.

E. The Depository Bank shall act as a trustee and fiduciary for the Bondholder with respect to the Series 2001 A Bonds Construction Trust Fund and shall comply with all requirements with respect to the disposition of the moneys therein set forth in the Bond Legislation. Moneys in the Series 2001 A Bonds 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 2001 A Bonds.

Section 6.02. Disbursements From the Bond Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the Authority and the BPH a report listing the specific purposes for which the proceeds of the Series 2001 A Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments for the costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2001 A Bonds Construction Trust Fund shall be made only after submission to the Authority and the BPH of the following:

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement, in compliance with the construction schedule, and

(2) a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

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

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

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

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

Pending such application, moneys in the Series 2001 A Bonds Construction Trust Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2001 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2001 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2001 A Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2001 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 2001 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2001 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of the Series 2001 A Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2001 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the water rate ordinance of the Board enacted on September 28, 1999, as amended by Commission Orders of the Public Service Commission of West Virginia dated May 12, 2000, and June 15, 2000, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2001 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2001 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Board shall not sell, mortgage, lease or otherwise dispose of the System, except as provided in the Prior Ordinance. Additionally, so long as the Series 2001 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the BPH, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2001 A Bonds, immediately be remitted to the Commission for deposit in the Series 2001 A Bonds Sinking Fund, and, with the written permission of the Authority and the BPH, or in the event the Authority is no longer a Bondholder, the Board shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2001 A Bonds. Any balance remaining after the payment of the Series 2001 A Bonds and interest, if any, thereon shall be remitted to the Board by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Board 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 $50,000, the Board shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Revenue 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 $50,000 but not in excess of $200,000, the Board shall first, in writing, determine upon consultation with the Consulting Engineers that such property comprising a

part of the System is no longer necessary, useful or profitable in the operation thereof and the Governing Body may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, shall be deposited in the Depreciation Fund. Payment of such proceeds into the Depreciation Fund shall not reduce the amount required to be paid into said fund by other provisions of this Bond Legislation.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer or the Board 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 $200,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2001 A Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 2001 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such revenues and in all other respects, to the Series 2001 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2001 A Bonds, and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series 2001 A Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinance shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2001 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the BPH and without complying with the conditions and requirements herein provided. All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2001 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of design, acquisition or construction of extensions, additions, betterments or improvements to the System or refunding the Series 2001 A Bonds issued pursuant hereto, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the Independent Certified Public Accountants, reciting the conclusion required under the Prior Ordinance, so long as the Prior Bonds are outstanding, and thereafter 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, if any, shall, so long as the Series 1992 Bonds are outstanding, not be less than 120%, unless waived by the Holders of the Series 1992 Bonds, and thereafter, 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 Bond Legislation then Outstanding; and

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

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the issuance of such Parity Bonds.

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 on account of increased rates,

rentals, fees and charges for the System enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to issuance of such Parity Bonds.

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 2001 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2001Bonds.

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 the Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

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

The Issuer or the Board shall permit the Authority and the BPH, or their agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of construction of the Project and

commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

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

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Board. 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 or the Board shall file with the BPH, the Authority, or any other original purchaser of the Series 2001 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2001 A Bonds, requesting the same, an annual report containing the following:

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

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

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

The Issuer or the Board shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2001 A Bonds, and shall submit said report to the BPH and the Authority, or any other original purchaser of the Series 2001 A Bonds. Such audit report submitted to the BPH and the Authority shall include a statement

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

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

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

The Issuer or the Board shall provide the BPH with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in Exhibit E of the Loan Agreement for the Series 2001 A Bonds or as promulgated from time to time.

Section 7.09. Rates. Prior to the issuance of the Series 2001 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the City Clerk, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient to provide the Net Revenues equal to not less than the sum required by the Prior Ordinance, so long as the Prior Bonds are outstanding, and thereafter sufficient (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2001 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2001 A Bonds; provided that, in the event amounts equal

to or in excess of the reserve requirements are on deposit respectively in the Series 2001 A Bonds Reserve Account and any reserve accounts for obligations on a parity with the Series 2001 A Bonds are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2001 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2001 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

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

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

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

construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

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

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

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the DWTRF Regulations, to the BPH when the Project is 90% completed. The Issuer or the Board shall at all times provide operation and maintenance of the System in compliance with all State and federal standards.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during the entire term of the Loan Agreement. The Issuer shall notify the BPH in writing of the certified operator employed at the 50% completion stage.

Section 7.12. No Competing Franchise. To the extent legally allowable, neither the Issuer nor the Board will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

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

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

the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

Section 7.14. No Free Services. The Board 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 Board, the Issuer, or any department, agency, instrumentality, officer or employee of the Board or 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 Board or the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2001 A Bonds remain Outstanding, the Issuer or the Board 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 Board 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 Depreciation Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Depreciation Fund. The Board 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 Board, 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 Board, 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 and the Board 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 not less than 100% of the amount of any 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 any additions, extensions, or improvements for the System in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

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

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

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

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

The Issuer or the Board shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the BPH and the Issuer or

the Board shall verify such insurance prior to commencement of construction. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the Board, the prime contractor and all subcontractors, as their interests may appear.

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

Section 7.17. Completion, Operation and Maintenance of Project; Permits and Orders. The Issuer or the Board shall complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards. The Issuer or the Board shall take all steps to properly operate and maintain the System and make the necessary replacements due to normal wear and tear so long as the Series 2001 A Bonds are outstanding.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and all approvals for issuance of the Series 2001 A Bonds required by State law, with all requisite appeal periods having expired without successful appeal.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer shall provide the BPH with copies of all documents submitted to the Authority.

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

Section 7.19. [Reserved]

Section 7.20. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2001 A 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 and shall take effect immediately upon delivery of the Series 2001 A Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 7.21. Securities Laws Compliance. The Issuer shall provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2001 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the BPH for written approval. The Issuer shall obtain the written approval of the BPH before expending any proceeds of the Series 2001 A Bonds held in "contingency" as set forth in the schedule attached to the Certificate of Consulting Engineer. The Issuer shall also obtain the written approval of the BPH before expending any proceeds of the Series 2001 A Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII

INVESTMENT OF FUNDS

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often if reasonably requested by the Issuer), a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2001 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest on the Series 2001 A Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate and Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2001 A Bonds as a condition to issuance of the Series 2001 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and

applicable to the Series 2001 A Bonds as may be necessary in order to maintain the status of the Series 2001 A Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2001 A Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority, the Council or the BPH, as the case may be, from which the proceeds of the Series 2001 A Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority, the Council or the BPH, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2001 A Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2001 A Bonds :

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2001 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2001 A Bonds set forth in this Bond Legislation, any Supplemental Resolution or in the Series 2001 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, 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; or

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Series 2001 A Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Series 2001 A Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Series 2001 A Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Series 2001 A Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 2001 A Bonds shall be on a parity with the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Series 2001 A Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to the Series 2001 A Bonds, any Registered Owner of a Series 2001 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 Series 2001 A Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

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

Whenever all that is due upon the Series 2001 A 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 Series 2001 A Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the

Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2001 A Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Gross 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 2001 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2001 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2001 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2001 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2001 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 2001 A Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2001 A Bonds required for consent to the above-permitted amendments or modifications.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2001 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution, or the Series 2001 A Bonds.

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

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

ISSUER:

City of Clarksburg
c/o Clarksburg Water Board
1001 South Chestnut Street
Clarksburg, West Virginia 26301
Attention: General Manager

AUTHORITY:

West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25311-1571
Attention: Director

BPH:

West Virginia Bureau for Public Health
815 Quarrier Street, Suite 418
Charleston, West Virginia 25301
Attention: Environmental Engineering

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

Section 11.06. Conflicting Provisions Repealed. Except for the Prior Ordinance, all orders, resolutions and ordinances, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict between this Ordinance and the Prior Ordinance, the Prior Ordinance shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

Section 11.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, City Clerk and members of the Governing Body and the Board were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days

intervening between each publication, in The Clarksburg Exponent and the Clarksburg Telegram, 2 newspapers published and of general circulation in the City of Clarksburg, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2001 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Section 11.09. Effective Date. This Ordinance shall take effect immediately upon adoption.

Passed on First Reading:	-	March 1, 2001
Passed on Second Reading:	-	March 15, 2001
Passed on Final Reading Following Public Hearing:	-	April 5, 2001

Pastor David A. Bates
Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF CLARKSBURG on the 5th of April, 2001.

Dated: April 23, 2001.

[SEAL]

Annette M. Wright
City Clerk

04/17/01
155510/00001

CL663892.1

CITY OF CLARKSBURG

Water Revenue Bonds, Series 2001 A
(West Virginia DWTRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), OF THE CITY OF CLARKSBURG; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Council (the "Governing Body") of the City of Clarksburg (the "Issuer") has duly and officially enacted a bond ordinance, effective April 5, 2001 (the "Bond Ordinance" or the "Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF CLARKSBURG AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $3,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH

BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), of the Issuer (the "Series 2001 A Bonds"), in the aggregate principal amount not to exceed $3,000,000, and has authorized the execution and delivery of the loan agreement relating to the Series 2001 A Bonds, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health (the "BPH") (the "Loan Agreement"), all in accordance with Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

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

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

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $2,383,850. The Series 2001 A Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2022, and shall bear interest at the rate of 2% per annum. The principal of and the interest on the Series 2001 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2002, and ending March 1, 2022, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2001 A Bonds. The Series 2001 A Bonds shall be subject to redemption upon the written consent of the Authority and the BPH, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2001 A Bonds. The Issuer does hereby approve and shall pay the Administrative Fee equal to 1 % of the principal amount of the Series 2001 A Bonds set forth in the "Schedule Y" attached to the Loan Agreement.

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

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

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

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

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

Section 7. Series 2001 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2001 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2001 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2001 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2001 A Bonds shall be deposited in or credited to the Series 2001 A Bonds Construction Trust Fund for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 10. The Mayor, City Manager and City Clerk are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds to be issued hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about April 11, 2001, to the Authority pursuant to the Loan Agreement.

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

Section 12. The Issuer 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 Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Moneys in the Series 2001 A Bonds Sinking Fund, including the Series 2001 A Bonds Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 13. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and 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 14. The Issuer hereby approves payment of all invoices and bills for the Project which have been received to date from the proceeds of the Bonds. The Issuer hereby appoints the General Manager of the Clarksburg Water Board as its agent for the review and approval of all future invoices for the Project to be paid from the proceeds of the Bonds.

Section 15. The Issuer hereby appoints the Clarksburg Water Board as agent of the Issuer for the purpose of receiving all advances of the proceeds of the Bonds from the BPH, and the Issuer hereby assigns its right to receive such advances to the Clarksburg Water Board

Section 16. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project.

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

Adopted this 5th day of April, 2001.

CITY OF CLARKSBURG

Pastor David D. H. Kates

Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the City of Clarksburg on the 5th day of April, 2001.

Dated: April 23, 2001.

[SEAL]

Annette M. Wright
City Clerk

04/17/01
155510/00001

CL670492.2

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG
WATER REVENUE BONDS,
SERIES 2001 A
(WEST VIRGINIA DWTRF PROGRAM)

No. AR-1 $2,383,850

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation and political subdivision of the State of West Virginia in Harrison County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of TWO MILLION THREE HUNDRED EIGHTY THREE THOUSAND EIGHT HUNDRED FIFTY DOLLARS ($2,383,850), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2002, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference, with interest payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2002, at the rate per annum as set forth on EXHIBIT B attached hereto.

The Administrative Fee (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2002, as set forth on EXHIBIT B attached hereto.

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

Public Health (the "BPH") and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated April 11, 2001.

This Bond is issued (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project, and any further extensions, additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on April 5, 2001, and a Supplemental Resolution duly adopted by the Issuer on April 5, 2001 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATERWORKS IMPROVEMENT AND REFUNDING REVENUE BONDS, SERIES 1992, DATED DECEMBER 1, 1992, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $25,500,405 (THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2001 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Gross Revenues, the moneys in the Series 2001 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal

to at least 120% of the maximum amount payable in any year for principal of and interest on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, so long as the Prior Bonds are outstanding, and thereafter, 115% of such amount; provided however, that when the Prior Bonds are no longer outstanding and so long as there exists in the Series 2001 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated April 23, 2001.

[SEAL]

Mayor

SPECIMEN

City Manager

ATTEST:

City Clerk

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2001 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: April 23, 2001.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

SPECIMEN

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$186,015	04/23/01	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $_____

Clarksburg Water Board (West Virginia)

Loan of $2,383,850
20 Years, 2% Interest Rate, 1% Administrative Fee
Closing Date: April 23, 2001

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
6/01/2001	-	-	-	-
9/01/2001	-	-	-	-
12/01/2001	-	-	-	-
3/01/2002	-	-	-	-
6/01/2002	24,308.00	2.000%	11,919.25	36,227.25
9/01/2002	24,430.00	2.000%	11,797.71	36,227.71
12/01/2002	24,552.00	2.000%	11,675.56	36,227.56
3/01/2003	24,675.00	2.000%	11,552.80	36,227.80
6/01/2003	24,798.00	2.000%	11,429.43	36,227.43
9/01/2003	24,922.00	2.000%	11,305.44	36,227.44
12/01/2003	25,047.00	2.000%	11,180.83	36,227.83
3/01/2004	25,172.00	2.000%	11,055.59	36,227.59
6/01/2004	25,298.00	2.000%	10,929.73	36,227.73
9/01/2004	25,424.00	2.000%	10,803.24	36,227.24
12/01/2004	25,551.00	2.000%	10,676.12	36,227.12
3/01/2005	25,679.00	2.000%	10,548.37	36,227.37
6/01/2005	25,808.00	2.000%	10,419.97	36,227.97
9/01/2005	25,937.00	2.000%	10,290.93	36,227.93
12/01/2005	26,066.00	2.000%	10,161.25	36,227.25
3/01/2006	26,197.00	2.000%	10,030.92	36,227.92
6/01/2006	26,328.00	2.000%	9,899.93	36,227.93
9/01/2006	26,459.00	2.000%	9,768.29	36,227.29
12/01/2006	26,591.00	2.000%	9,636.00	36,227.00
3/01/2007	26,724.00	2.000%	9,503.04	36,227.04
6/01/2007	26,858.00	2.000%	9,369.42	36,227.42
9/01/2007	26,992.00	2.000%	9,235.13	36,227.13
12/01/2007	27,127.00	2.000%	9,100.17	36,227.17
3/01/2008	27,263.00	2.000%	8,964.54	36,227.54
6/01/2008	27,399.00	2.000%	8,828.22	36,227.22
9/01/2008	27,536.00	2.000%	8,691.23	36,227.23
12/01/2008	27,674.00	2.000%	8,553.55	36,227.55
3/01/2009	27,812.00	2.000%	8,415.18	36,227.18
6/01/2009	27,951.00	2.000%	8,276.12	36,227.12
9/01/2009	28,091.00	2.000%	8,136.36	36,227.36
12/01/2009	28,232.00	2.000%	7,995.91	36,227.91
3/01/2010	28,373.00	2.000%	7,854.75	36,227.75
6/01/2010	28,515.00	2.000%	7,712.88	36,227.88
9/01/2010	28,657.00	2.000%	7,570.31	36,227.31
12/01/2010	28,800.00	2.000%	7,427.02	36,227.02
3/01/2011	28,944.00	2.000%	7,283.02	36,227.02
6/01/2011	29,089.00	2.000%	7,138.30	36,227.30
9/01/2011	29,235.00	2.000%	6,992.86	36,227.86
12/01/2011	29,381.00	2.000%	6,846.68	36,227.68
3/01/2012	29,528.00	2.000%	6,699.78	36,227.78
6/01/2012	29,675.00	2.000%	6,552.14	36,227.14
9/01/2012	29,824.00	2.000%	6,403.76	36,227.76
12/01/2012	29,973.00	2.000%	6,254.64	36,227.64
3/01/2013	30,123.00	2.000%	6,104.78	36,227.78

Clarksburg Water Board (West Virginia)

Loan of $2,383,850
20 Years, 2% Interest Rate, 1% Administrative Fee
Closing Date: April 23, 2001

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
6/01/2013	30,273.00	2.000%	5,954.16	36,227.16
9/01/2013	30,425.00	2.000%	5,802.80	36,227.80
12/01/2013	30,577.00	2.000%	5,650.67	36,227.67
3/01/2014	30,730.00	2.000%	5,497.79	36,227.79
6/01/2014	30,883.00	2.000%	5,344.14	36,227.14
9/01/2014	31,038.00	2.000%	5,189.72	36,227.72
12/01/2014	31,193.00	2.000%	5,034.53	36,227.53
3/01/2015	31,349.00	2.000%	4,878.57	36,227.57
6/01/2015	31,506.00	2.000%	4,721.82	36,227.82
9/01/2015	31,663.00	2.000%	4,564.29	36,227.29
12/01/2015	31,821.00	2.000%	4,405.98	36,226.98
3/01/2016	31,981.00	2.000%	4,246.87	36,227.87
6/01/2016	32,141.00	2.000%	4,086.97	36,227.97
9/01/2016	32,301.00	2.000%	3,926.26	36,227.26
12/01/2016	32,463.00	2.000%	3,764.76	36,227.76
3/01/2017	32,625.00	2.000%	3,602.44	36,227.44
6/01/2017	32,788.00	2.000%	3,439.32	36,227.32
9/01/2017	32,952.00	2.000%	3,275.38	36,227.38
12/01/2017	33,117.00	2.000%	3,110.62	36,227.62
3/01/2018	33,282.00	2.000%	2,945.03	36,227.03
6/01/2018	33,449.00	2.000%	2,778.62	36,227.62
9/01/2018	33,616.00	2.000%	2,611.38	36,227.38
12/01/2018	33,784.00	2.000%	2,443.30	36,227.30
3/01/2019	33,953.00	2.000%	2,274.38	36,227.38
6/01/2019	34,123.00	2.000%	2,104.61	36,227.61
9/01/2019	34,293.00	2.000%	1,934.00	36,227.00
12/01/2019	34,465.00	2.000%	1,762.53	36,227.53
3/01/2020	34,637.00	2.000%	1,590.21	36,227.21
6/01/2020	34,810.00	2.000%	1,417.02	36,227.02
9/01/2020	34,984.00	2.000%	1,242.97	36,226.97
12/01/2020	35,159.00	2.000%	1,068.05	36,227.05
3/01/2021	35,335.00	2.000%	892.26	36,227.26
6/01/2021	35,512.00	2.000%	715.58	36,227.58
9/01/2021	35,689.00	2.000%	538.02	36,227.02
12/01/2021	35,868.00	2.000%	359.58	36,227.58
3/01/2022	36,047.00	2.000%	180.24	36,227.24
Total	**2,383,850.00**	**-**	**514,346.02**	**2,898,196.02** *

*Plus $3,214.66 one-percent administrative fee paid quarterly. Total fee paid over the life of the loan is $257,172.80.

(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:

_____

CITY OF CLARKSBURG

WATER REVENUE BONDS, SERIES 2004 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

BOND ORDINANCE

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CITY OF CLARKSBURG

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF CLARKSBURG AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $2,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 8, Article 19 and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

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

B. The Issuer presently owns and operates through the Clarksburg Water Board (the "Board") a municipal waterworks treatment and distribution system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements to the existing public waterworks system of the Issuer, consisting of the modification of the existing water treatment plant backwash wastewater and clarifier sludge treatment facilities, the construction of a sludge dewatering facility and the installation of sludge feed pump, belt filter press, polymer feed system, belt and screw conveyor system, filtrate pump station and piping, together with all appurtenant facilities (collectively, the "Project") (the existing public waterworks system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System") at an estimated cost of not more than $2,000,000, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), in the total aggregate principal amount of not more than $2,000,000 (the "Series 2004 A Bonds"), to be initially represented by a single bond, to permanently 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 Series 2004 A Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2004 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2004 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2004 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

D. The period of usefulness of the System after completion of the Project is not less than 25 years.

E. It is in the best interests of the Issuer that its Series 2004 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, in form satisfactory to the Issuer and the Authority (the "Loan Agreement") as shall be approved by supplemental resolution of the Issuer.

F. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2004 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's (i) Waterworks Improvement and Refunding Revenue Bonds, Series 1992, dated December 1, 1992, issued as Capital Appreciation Bonds, in the original aggregate principal amount of $1,970,405, pursuant to an ordinance of the Issuer enacted December 17, 1992 (the "Series 1992 Bonds"); (ii) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850, pursuant to an ordinance of the Issuer enacted April 5, 2001 (the "Series 2001 A Bonds"); and (iii) Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000, pursuant to an ordinance of the Issuer enacted May 30, 2002 (the "Series 2002 Bonds") (collectively, the "Prior Bonds").

The Series 2004 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2004 A Bonds, the Issuer will obtain a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met and the written consent of the Holders of the Series 2001 A Bonds to the issuance of the Series 2004 A Bonds on a parity with the Series 2001 A Bonds. No written parity consent is required from the Holders of the Series 1992 Bonds and the Series 2002 Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the ordinances authorizing issuance of the Prior Bonds (the "Prior Ordinances").

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

H. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2004 A Bonds, 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 Series 2004 A Bonds or such final order will not be subject to appeal or rehearing.

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

J. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and the System; 95% or more of the Net Proceeds of the Series 2004 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the Issuer, all subordinate entities, all entities which issue obligations on behalf of the Issuer, and all entities formed or, to the extent provided under Section 148 of the Code, herein defined, availed of, to avoid the purposes of Section 148(f)(4)(D) of the Code and all other entities benefitting thereby reasonably expect to issue less than $5,000,000 aggregate principal amount of tax-exempt obligations (other than private activity bonds) during the calendar year in which the Series 2004 A Bonds are to be issued.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2004 A Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, 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, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 8, Article 19 and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2004 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority.

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

"Board" means the Clarksburg Water Board, existing under Section 25 of the Charter of the Issuer and having powers and duties set forth in Section 27 of such Charter.

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

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

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

"Bonds" means, collectively, the Series 2004 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

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

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

"Closing Date" means the date upon which there is an exchange of the Series 2004 A Bonds for the proceeds representing the purchase price of the Series 2004 A Bonds from the Authority.

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

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

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

"Costs" or "Costs of the Project" means those costs described in Section 1.02C 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, which shall be a member of FDIC.

"Depreciation Fund" means the Depreciation Fund created by the Prior Ordinances and continued hereby.

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

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

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

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

"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; and includes any proceeds from the sale or other disposition of capital assets, but does not include any increase in the value of capital assets (including Qualified Investments, as hereinafter defined), or any Tap Fees, as hereinafter defined.

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

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

"Investment Property" means:

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

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

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

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

"Issuer" means the City of Clarksburg, a municipal corporation and political subdivision of the State of West Virginia, in Harrison County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means, the Loan Agreement heretofore entered, or to be entered, into by and between the Issuer and the Authority, providing for the purchase of the Series 2004 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2004 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2004 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2004 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

"Net Revenues" means Gross Revenues less Operating Expenses, as hereinafter defined.

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

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

"Operation and Maintenance Fund" means the Operation and Maintenance Fund created by the Prior Ordinances and continued hereby.

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

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

"Paying Agent" means the Commission or such other entity or authority as may be designated as a Paying Agent for the Series 2001 A Bonds by the Issuer in the Supplemental Resolution.

"Prior Bonds" means the Issuer's (i) Waterworks Improvement and Refunding Revenue Bonds, Series 1992, dated December 1, 1992, issued as Capital Appreciation Bonds, in the original aggregate principal amount of $1,970,405, pursuant to an ordinance of the Issuer enacted December 17, 1992; (ii) Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), dated April 23, 2001, issued in the original aggregate principal amount of $2,383,850, pursuant to an ordinance of the Issuer enacted

April 5, 2001; and (iii) Water Refunding Revenue Bonds, Series 2002, dated July 1, 2002, issued in the original aggregate principal amount of $16,260,000, pursuant to an ordinance of the Issuer enacted May 30, 2002.

"Prior Ordinances" means, collectively, the ordinances of the Issuer enacted December 17, 1992, April 5, 2001, and May 30, 2002, as supplemented, authorizing the issuance of the Prior Bonds.

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

"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 Project as described in Section 1.02B hereof.

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

(a) Government Obligations;

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

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

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

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, 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 Investment Management Board pursuant to Chapter 12, Article 6 of the West Virginia Code of 1931, as amended; and

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

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

"Registrar" means the Bond Registrar.

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

"Reserve Accounts" means, collectively, the respective Reserve Accounts established for the Series 2004 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in any Reserve Account for the Prior Bonds and the Series 2004 A Bonds.

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

"Series 1992 Bonds" means the Waterworks Improvement and Refunding Revenue Bonds, Series 1992, of the Issuer issued as Capital Appreciation Bonds, as described in Section 1.02F hereof.

"Series 2001 A Bonds" means the Water Revenue Bonds, Series 2001 A (West Virginia DWTRF Program), of the Issuer as described in Section 1.02F hereof.

"Series 2002 Bonds" means the Water Refunding Revenue Bonds, Series 2002, of the Issuer as described in Section 1.02F hereof.

"Series 2004 A Bonds" means not more than $2,000,000 in aggregate principal amount of Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), of the Issuer, authorized by this Ordinance.

"Series 2004 A Bonds Construction Trust Fund" means the Series 2004 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2004 A Bonds Reserve Account" means the Series 2004 A Bonds Reserve Account established pursuant to Section 5.02 hereof.

"Series 2004 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 2004 A Bonds in the then current or any succeeding year.

"Series 2004 A Bonds Sinking Fund" means the Series 2004 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2004 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2004 A

Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2004 A Bonds, and not so included may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds, the Prior Bonds or any other obligations of the Issuer, including, without limitation, the Sinking Funds, the Reserve Accounts, the Redemption Accounts, the Operation and Maintenance Fund and the Depreciation Fund.

"System" means, collectively, the complete existing municipal waterworks system of the Issuer, consisting of a water filtration and treatment plant, reservoirs, water tanks, distribution lines and booster stations now owned by the Issuer or any integral part thereof, and all other facilities necessary, appropriate, useful, convenient or incidental in connection with or to a waterworks system, and shall include the Project and any additions, betterments and improvements thereto hereafter acquired or constructed for said waterworks system from any sources whatsoever, both within and without the Issuer.

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

Additional terms and phrases are defined in this Ordinance as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neuter gender shall include any other gender; and any requirement for execution or attestation of the Bonds or any certificate or other document by the Mayor or the City Clerk shall mean that such Bonds, certificate or other document may be executed or attested by an Acting Mayor or Acting City Clerk.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $2,000,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2004 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and has entered into or will enter into contracts for the acquisition and construction of the Project in an amount and otherwise compatible with the financing plan submitted to the Authority.

The cost of the Project is estimated not to exceed $2,000,000, all of which will be obtained from proceeds of the Series 2004 A Bonds.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2004 A Bonds, funding a reserve account for the Series 2004 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2004 A Bonds of the Issuer. The Series 2004 A Bonds shall be issued as a single bond, designated "Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority)", in the principal amount of not more than $2,000,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2004 A Bonds remaining after funding of the Series 2004 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2004 A Bonds, if any, shall be deposited in or credited to the Series 2004 A Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 2004 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, 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 or as specifically provided in the Loan Agreement. The Series 2004 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest, if any, on the Series 2004 A 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 Series 2004 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a debt service schedule attached, representing the aggregate principal amount of the Series 2004 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2004 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2004 A Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2004 A Bonds shall cease to be such officer of the Issuer before the Series 2004 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2004 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2004 A Bonds shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2004 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2004 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2004 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that such Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2004 A Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Series 2004 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2004 A Bonds or transferring the registered Series 2004 A Bonds are exercised, all Series 2004 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2004 A Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Series 2004 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2004 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2004 A Bonds or, in the case of any proposed redemption of Series 2004 A Bonds, next preceding the date of the selection of Series 2004 A Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2004 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2004 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 2004 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2004 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of the Series 2004 A Bonds shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operations of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. Such Gross Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2004 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2004 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2004 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2004 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2004 A Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2004 A Bonds.

Section 3.10. Form of Series 2004 A Bonds. The text of the Series 2004 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CLARKSBURG
WATER REVENUE BONDS,
SERIES 2004 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CLARKSBURG, a municipal corporation and political subdivision of the State of West Virginia in Harrison County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ Dollars ($_____), in annual installments on October 1 of each year, commencing October 1, 200_, as set forth on the "Debt Service Schedule" 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 therefore, and until payment of such installment, such interest shall be payable semiannually on April 1 and October 1 in each year, commencing _____ 1, _____.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the 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 by and between the Issuer and the Authority, dated _____, 200__.

This Bond is issued (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); (ii) to fund a reserve account for the Bonds of this Series (the "Bonds"); and (iii) to pay certain costs of issuance of the Bonds and related costs. The existing public waterworks system of the Issuer, the Project, and any further extensions, additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2004, and a Supplemental Resolution duly adopted by the Issuer on _____, 2004 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S (i) WATERWORKS IMPROVEMENT AND REFUNDING REVENUE BONDS, SERIES 1992, DATED DECEMBER 1, 1992, ISSUED AS CAPITAL APPRECIATION BONDS, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,970,405, PURSUANT TO AN ORDINANCE OF THE ISSUER ENACTED DECEMBER 17, 1992 (THE "SERIES 1992 BONDS"); (ii) WATER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA DWTRF PROGRAM), DATED APRIL 23, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,383,850, PURSUANT TO AN ORDINANCE OF THE ISSUER ENACTED APRIL 5, 2001 (THE "SERIES 2001 A BONDS"); AND (iii) WATER REFUNDING REVENUE BONDS, SERIES 2002, DATED JULY 1, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $16,260,000, PURSUANT TO AN ORDINANCE OF THE ISSUER ENACTED MAY 30, 2002 (THE "SERIES 2002 BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2004 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Gross Revenues, the moneys in the Series 2004 A

Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide the Net Revenues equal to not less than the rate coverage required by the Prior Ordinances so long as the Series 1992 Bonds and the Series 2002 Bonds are outstanding, and thereafter sufficient to provide for all operating expenses 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, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that so long as there exists in the Series 2004 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

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

IN WITNESS WHEREOF, the CITY OF CLARKSBURG has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated _____, 2004.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2004 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: _____, 2004.

THE HUNTINGTON NATIONAL BANK,
as Registrar

_____
Authorized Officer

EXHIBIT A

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2004 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor and/or the City Manager are specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the City Clerk is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated into this Bond Legislation.

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

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

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

(2) Depreciation Fund (established by the Prior Ordinances);

(3) Operation and Maintenance Fund (established by the Prior Ordinances); and

(4) Series 2004 A Bonds Construction Trust Fund.

Moneys in such Funds and Subaccounts may be commingled and aggregated by the Depository Bank if so directed by the Issuer, for purposes of investment of such funds, but separate accounting shall be maintained for each such fund.

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

(1) Series 1992 Bonds Sinking Fund (established by the Prior Ordinances);

(2) Within the Series 1992 Bonds Sinking Fund, the Series 1992 Bonds Reserve Account (established by the Prior Ordinances);

(3) Within the Series 1992 Bonds Sinking Fund, the Series 1992 Bonds Redemption Account (established by the Prior Ordinances);

(4) Series 2001 A Bonds Sinking Fund (established by the Prior Ordinances);

(5) Within the Series 2001 A Bonds Sinking Fund, the Series 2001 A Bonds Reserve Account (established by the Prior Ordinances);

(6) Series 2002 Bonds Sinking Fund (established by the Prior Ordinances);

(7) Within the Series 2002 Bonds Sinking Fund, the Series 2002 Bonds Reserve Account (established by the Prior Ordinances);

(8) Within the Series 2002 Bonds Sinking Fund, the Series 2002 Bonds Redemption Account (established by the Prior Ordinances);

(9) Series 2004 A Bonds Sinking Fund; and

(10) Series 2004 A Bonds Reserve Account.

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

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Sinking Funds for the Prior Bonds, the amount required by the Prior Ordinances for payment of interest on the Prior Bonds; and (ii) commencing 7 months prior to the first date of payment of interest on the Series 2004 A Bonds, for which interest has not been capitalized or as required in the Loan Agreement, for deposit in the Series 2004 A Bonds Sinking Fund, an amount equal to 1/6th of the amount of interest which will become due on the Series 2004 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 2004 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, 1 month prior to the next semiannual interest payment date, the required amount of interest coming due on such date.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Sinking Funds for the Prior Bonds, and in the Series 1992 Bonds Redemption Account and the Series 2002 Bonds Redemption Account therein in the case of Term Bonds which are to be redeemed, the amount required by the Prior Ordinances for payment of principal of the Prior Bonds; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2004 A Bonds, for deposit in the Series 2004 A Bonds Sinking Fund, an amount equal to 1/12th of the amount of principal which will mature and come due on the Series 2004 A Bonds on the next ensuing annual principal payment; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2004 A Bond Sinking Fund and the next annual principal payment date is less than 13 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and deposit in the Operation and Maintenance Fund an amount sufficient to pay all Operating Expenses of the System.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1992 Bonds Reserve Account, the Series 2001 A Bonds Reserve Account, and the Series 2002 Bonds Reserve Account, the amount required by the Prior Ordinances; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2004 A Bonds, if not fully funded upon issuance of the Series 2004 A Bonds, for deposit in the Series 2004 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2004 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2004 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 2004 A Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund to the Depreciation Fund

(as required in the Prior Ordinances and not in addition thereto), an amount equal to not less than 5% of the Gross Revenues each month until the sum of $1,000,000 shall be accumulated therein, so long as the Series 1992 Bonds and Series 2002 Bonds are outstanding, and thereafter, 2 1/2% of said Gross Revenues. All funds in the Depreciation 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. Except as otherwise provided in the Prior Ordinances, withdrawals and disbursements may be made from the Depreciation Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with moneys from the Depreciation Fund.

Moneys in the Series 2004 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2004 A Bonds as the same shall become due. Moneys in the Series 2004 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2004 A Bonds as the same shall come due, when other moneys in the Series 2004 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2004 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2004 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2004 A Bonds Reserve Account which result in a reduction in the balance of the Series 2004 A Bonds Reserve Account to below the Series 2004 A Bonds Reserve Requirement shall be subsequently restored from the first Gross Revenues available after all required payments have been made in full in the priority set forth above.

As and when additional Bonds ranking on a parity with the Series 2004 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement

thereof at maturity and to accumulate a balance in the respective reserve accounts in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2004 A Bonds Sinking Fund or the Series 2004 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2004 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 2004 A Bonds and the Prior Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Moneys in the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2004 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if such day is not a business day, then the first business day of each month), deposit with the Commission the required principal, interest and reserve account payments with respect to the Series 2004 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

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

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

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

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

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

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of the Series 2004 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2004 A Bonds, there shall first be deposited with the Commission in the Series 2004 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2004 A Bonds for the period commencing on the date of issuance of the Series 2004 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2004 A Bonds, there shall be deposited with the Commission in the Series 2004 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2004 A Bonds Reserve Account.

C. The remaining moneys derived from the sale of the Series 2004 A Bonds shall be deposited with the Depository Bank in the Series 2004 A Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02.

D. The Depository Bank shall act as a trustee and fiduciary for the Bondholder with respect to the Series 2004 A Bonds Construction Trust Fund and shall comply with all requirements with respect to the disposition of the moneys therein set forth in the Bond Legislation. Moneys in the Series 2004 A Bonds 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 2004 A Bonds.

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 Series 2004 A Bonds Construction Trust Fund shall be made only after submission to the Depository Bank of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

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

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

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

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

In case any contract provides for the retention of a portion of the contract price, the Depository Bank shall disburse from the Series 2004 A Bonds Construction Trust Fund only the net amount remaining after deduction of any such portion. All payments made from the Series 2004 A Bonds 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 Series 2004 A Bonds 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 Series 2004 A Bonds 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, and all Costs of the Project have been paid, the Depository Bank shall transfer any moneys remaining in the Series 2004 A Bonds Construction Trust Fund to the Series 2004 A Bonds Reserve Account, provided that, in no event shall more than 10% of the proceeds from the sale of the Series 2004 A Bonds be deposited in the Series 2004 A Bonds Reserve Account, and when such Reserve Account is 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 payment due on the Series 2004 A Bonds and thereafter to the next ensuing principal payment due thereon. The Issuer shall expend all proceeds of the Series 2004 A Bonds within 3 years of the date of issuance of the Authority's Bonds, the proceeds of which were used to make the loan to the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2004 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2004 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2004 A Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2004 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 2004 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2004 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of the Series 2004 A Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2004 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the water rate resolution of the Board adopted on February 24, 2004, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2004 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take

all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2004 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Board shall not sell, mortgage, lease or otherwise dispose of the System, except as provided in the Prior Ordinances. Additionally, so long as the Series 2004 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2004 A Bonds, immediately be remitted to the Commission for deposit in the Series 2004 A Bonds Sinking Fund, and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Board shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2004 A Bonds. Any balance remaining after the payment of the Series 2004 A Bonds and interest, if any, thereon shall be remitted to the Board by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Board 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 $50,000, the Board 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 Revenue 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 $50,000 but not in excess of $200,000, the Board shall first, in writing, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and the Governing Body may then, if it be so advised, by resolution duly adopted, authorize such

sale, lease or other disposition of such property upon public bidding in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, shall be deposited in the Depreciation Fund. Payment of such proceeds into the Depreciation Fund shall not reduce the amount required to be paid into said fund by other provisions of this Bond Legislation.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer or the Board 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 $200,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2004 A Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 2004 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such revenues and in all other respects, to the Series 2004 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2004 A Bonds, and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series 2004 A Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be

issued after the issuance of the Series 2004 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and without complying with the conditions and requirements herein provided. All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2004 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of design, acquisition or construction of extensions, additions, betterments or improvements to the System or refunding the Series 2004 A Bonds issued pursuant hereto, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the Independent Certified Public Accountants, reciting the conclusion required under the Prior Ordinances, so long as the Series 1992 Bonds and the Series 2002 Bonds are outstanding, and thereafter 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, if any, 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 Bond Legislation then Outstanding; and

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

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

The Net Revenues actually derived from the System during the 12 consecutive month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the

System enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to issuance of such Parity Bonds.

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 2004 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2004Bonds.

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 the Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

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

The Issuer or the Board shall permit the Authority or its agents and representatives to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of construction of the Project and

commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

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

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Board. 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 or the Board shall file with the Authority, or any other original purchaser of the Series 2004 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2004 A Bonds, requesting the same, an annual report containing the following:

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

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

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

The Issuer or the Board shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2004 A Bonds, and shall submit said report to the Authority, or any other original purchaser of the Series 2004 A Bonds. Such audit report submitted to the Authority shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond

Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

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

Section 7.09. Rates. Prior to the issuance of the Series 2004 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the City Clerk, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient to provide the Net Revenues equal to not less than the rate coverage required by the Prior Ordinances, so long as the Series 1992 Bonds and the Series 2002 Bonds are outstanding, and thereafter sufficient (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2004 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2004 A Bonds; provided that, in the event amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2004 A Bonds Reserve Account and any reserve accounts for obligations on a parity with the Series 2004 A Bonds are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2004 A Bonds and all other obligations secured by a lien on or payable from such

revenues on a parity with the Series 2004 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

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

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

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

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

shall certify to the Authority and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

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

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

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

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

Section 7.14. No Free Services. The Board 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 Board, the Issuer, or any department, agency, instrumentality, officer or employee of the Board or 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 Board or the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall

be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2004 A Bonds remain Outstanding, the Issuer or the Board 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 Board 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 Depreciation Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Depreciation Fund. The Board 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 Board, 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 Board, 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 and the Board 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 not less than 100% of the amount of any 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 any additions, extensions, or improvements for the System in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

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

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

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

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

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

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

Section 7.17. Completion, Operation and Maintenance of Project; Permits and Orders. The Issuer or the Board shall complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards. The Issuer or the Board shall take all steps to properly operate and maintain the System and make the necessary replacements due to normal wear and tear so long as the Series 2004 A Bonds are outstanding.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and all approvals for issuance of the Series 2004 A Bonds required by State law, with all requisite appeal periods having expired without successful appeal.

Section 7.18. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2004 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2004 A Bonds during the term thereof is, under the terms of the Series 2004 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2004 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2004 A Bonds during the term thereof is, under the terms of the Series 2004 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2004 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2004 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of 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 the lesser of 5% or $5,000,000 of the Net Proceeds of the Series 2004 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2004 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer shall timely file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2004 A Bonds and the interest thereon including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer shall take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 2004 A 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 7.19. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. The Issuer shall also comply with all applicable laws, rules and regulations issued by the Authority or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

Section 7.20. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2004 A 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 and shall take effect immediately upon delivery of the Series 2004 A Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 7.21. Securities Laws Compliance. The Issuer shall provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2004 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Authority for written approval. The Issuer shall obtain the written approval of the Authority before expending any proceeds of the Series 2004 A Bonds held in "contingency" as set forth in the schedule attached to the Certificate of Consulting Engineer. The Issuer shall also obtain the written approval of the Authority before expending any proceeds of the Series 2004 A Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often if reasonably requested by the Issuer), a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2004 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest on the Series 2004 A Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2004 A Bonds which would cause the Series 2004 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take any and all actions that may be required of it (including, without implied limitation, the timely filing

of a federal information return with respect to the Series 2004 A Bonds) so that the interest on the Series 2004 A 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; Small Issuer Exemption from Rebate of Excess Investment Earnings to the United States. 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 Series 2004 A Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2004 A 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.

In accordance with Section 148 (f)(4)(D) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that no part of the Series 2004 A Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Series 2004 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Series 2004 A Bonds are issued does not and will not exceed $5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect and applicable to the Series 2004 A Bonds. For purposes of this Section 8.03 and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this Section 8.03 and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this Section 8.03 and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefitting thereby shall be treated as one issuer.

Notwithstanding the foregoing, if in fact the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to 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 and shall be 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 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 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 the required rebate amount, any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, and take any other actions necessary, in order to maintain the exclusion of interest on the Series 2004 A Bonds from gross income for federal income tax purposes.

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

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation 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 Series 2004 A Bonds subject to rebate. The Issuer shall also furnish to the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority including information with respect to earnings on all funds constituting "gross proceeds" of the Series 2004 A Bonds (as such term "gross proceeds" is defined in the Code).

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2004 A Bonds :

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2004 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2004 A Bonds set forth in this Bond Legislation, any Supplemental Resolution or in the Series 2004 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or a Holder of a Bond; or

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

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Series 2004 A Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Series 2004 A Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Series 2004 A Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Series 2004 A Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 2004 A Bonds shall be on a parity with the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Series 2004 A Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to the Series 2004 A Bonds, any Registered Owner of a Series 2004 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 Series 2004 A 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 the System and shall hold, operate and maintain, manage and control such facilities, and each and every part thereof, and in the name of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might exercise.

Whenever all that is due upon the Series 2004 A 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 Series 2004 A Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the

Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

DEFEASANCE

Section 10.01. Defeasance of Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of the Series 2004 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 the pledge of Gross 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 2004 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Series 2004 A Bonds from gross income for federal income tax purposes.

Series 2004 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 Commission 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 2004 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 2004 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 2004 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 2004 A Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior to the next redemption date or the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2004 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2004 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2004 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2004 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 2004 A Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2004 A Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest on the Series 2004 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2004 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution, or the Series 2004 A Bonds.

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

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

ISSUER:

City of Clarksburg
c/o Clarksburg Water Board
1001 South Chestnut Street
Clarksburg, West Virginia 26301
Attention: General Manager

AUTHORITY:

West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25311-1571
Attention: Director

Section 11.06. Conflicting Provisions Repealed. Except for the Prior Ordinances, all orders, resolutions and ordinances, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict between this Ordinance and the Prior Ordinances, the Prior Ordinances shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

Section 11.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, City Manager, City Clerk and members of the Governing Body and the Board were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the Clarksburg Exponent-Telegram, a newspaper published and of general circulation in the City of Clarksburg, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2004 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during

office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Section 11.09. Effective Date. This Ordinance shall take effect immediately following the public hearing and final reading hereof.

Passed on First Reading:	-	August 5, 2004
Passed on Second Reading:	-	August 19, 2004
Passed on Final Reading Following Public Hearing:	-	September 2, 2004

Sam Lopez
Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF CLARKSBURG on the 2nd day of September, 2004.

Dated: September 28, 2004.

[SEAL]

Judith M. Wright
City Clerk

09/21/04
155510/00019

EXHIBIT A

Loan Agreement

(See Tab No. 3)

CITY OF CLARKSBURG

Water Revenue Bonds, Series 2004 A
(West Virginia Water Development Authority)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), OF THE CITY OF CLARKSBURG; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Council (the "Governing Body") of the City of Clarksburg (the "Issuer") has duly and officially enacted a bond ordinance, effective September 2, 2004 (the "Bond Ordinance" or the "Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF CLARKSBURG AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $2,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING,

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

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

WHEREAS, the Bond Ordinance provides for the issuance of Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), of the Issuer (the "Series 2004 A Bonds"), in the aggregate principal amount not to exceed $2,000,000, and has authorized the execution and delivery of the loan agreement relating to the Series 2004 A Bonds (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), all in accordance with Chapter 8, Article 19 and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

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

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

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2004 A (West Virginia Water Development Authority), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $1,885,764. The Series 2004 A Bonds shall be dated the date of delivery thereof, shall finally mature October 1, 2024, and shall bear interest at the rate of 5% per annum, payable semiannually on April 1 and October 1 of each year, commencing April 1, 2005. The Bonds shall be payable in annual installments of principal on October 1 of each year, commencing October 1, 2005, and maturing October 1, 2024, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Series 2004 A Bonds 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, so long as the Authority shall be the registered owner of the Series 2004 A Bonds.

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

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Mayor and/or the City Manager, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the application to the Authority. 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 The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

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

Section 6. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Clarksburg, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2004 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2004 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2004 A Bonds proceeds in the amount of $151,380 shall be deposited in the Series 2004 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2004 A Bonds shall be deposited in or credited to the Series 2004 A Bonds Construction Trust Fund for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 10. The Mayor, City Manager and City Clerk are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds to be issued hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about September 23, 2004, to the Authority pursuant to the Loan Agreement.

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

Section 12. The Issuer 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 Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Moneys in the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 13. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and 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 14. The Issuer is a governmental unit with general taxing powers to finance operations of or facilities of the nature of the Project and the System; no part of the Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer; and the Issuer reasonably expects to issue less than $5,000,000 aggregate principal face amount of tax-exempt obligations (other than private activity bonds) during the calendar year 2004, being the calendar year in which the

Bonds are to be issued. For purposes of this Section and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this Section and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this Section and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefitting thereby shall be treated as one issuer.

Section 15. The Issuer hereby approves payment of all invoices and bills for the Project which have been received to date from the proceeds of the Bonds. The Issuer hereby appoints the General Manager of the Clarksburg Water Board as its agent for the review and approval of all future invoices for the Project to be paid from the proceeds of the Bonds.

Section 16. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project.

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

Adopted this 9th day of September, 2004.

CITY OF CLARKSBURG

Sam Lopez

Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the City of Clarksburg on the 9th day of September, 2004.

Dated: September 28, 2004.

[SEAL]

City Clerk

09/22/04
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