

EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1986

Date of Closing: June 13, 1986

BOND TRANSCRIPT

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EAST VIEW PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 1986

BOND RESOLUTION

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EAST VIEW PUBLIC SERVICE DISTRICT

RESOLUTION

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF EAST VIEW PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN \$500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1986, PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF EAST VIEW PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any orders or resolutions supplemental hereto, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law.

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

A. East View Public Service District (the "Issuer") is a public service district and public corporation of the State of West Virginia in Harrison County of said State.

B. The Issuer has undertaken the acquisition and construction of public sewage facilities (the "Project") which constitute properties for the collection and transportation of liquid or solid wastes, sewage or industrial wastes (the Project, and any additions thereto or extensions thereof is herein called the

"System") at an estimated cost of \$1,849,077, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Secretary of the Issuer.

C. The Issuer has heretofore issued its Sewerage System Bond Anticipation Notes, Series 1984, dated June 15, 1984 (the "Notes"), in the aggregate principal amount of \$440,000 pursuant to a bond and notes resolution adopted June 13, 1984, and supplemental resolution also adopted June 13, 1984 (collectively, the "Prior Resolution"), to finance costs of construction and acquisition of the Project pending issuance of the within-described Bonds.

D. The estimated revenues to be derived in each year after the enactment hereof from the operation of the System will be sufficient to pay all the costs of the operation and maintenance of said System, the principal of and interest on the Bonds (as hereinafter defined) and all Sinking Fund, Reserve Account and other payments provided for herein.

E. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, Series 1986, in the aggregate principal amount of not more than \$500,000 (the "Bonds"), to pay, at the maturity thereof, a portion of the Notes representing the "local share" of the Issuer of the Costs and costs of issuance of the Bonds. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Notes and the Bonds prior to and during construction or acquisition and for 6 months after completion of construction of the Project; engineering, and legal expenses; expenses for estimates of cost 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, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Bonds and such other expenses as may be necessary or incident to the financing herein authorized, the construction or acquisition 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 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes, shall be deemed Costs of the Project, as hereinafter defined.

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

G. It is in the best interests of the Issuer that its Original Bonds (as hereinafter defined) be sold to the Authority (as hereinafter defined) pursuant to the terms and provisions of a loan agreement dated June 13, 1986 (the "Loan Agreement") heretofore entered into between the Issuer and the Authority, in form satisfactory to the Issuer and the Authority.

H. There are not outstanding any obligations of the Issuer which will rank prior to or on a parity with the Bonds as to lien and source of and security for payment.

I. The Issuer has complied with all requirements of West Virginia law relating to authorization of the construction, acquisition and operation of the Project and issuance of the Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of a Certificate of Convenience and Necessity and approval of this financing and necessary user rates and charges from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired.

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

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

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

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Original Bonds, or any other agency of the State of West Virginia that succeeds to the functions of the Authority.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman duly appointed by the Governing Body.

"Bond Construction Trust Fund" means the Bond Construction Trust Fund established by Section 5.01 hereof.

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

"Bond Legislation," "Resolution," "Bond Resolution" or "Local Act" means this Bond Resolution and all orders and resolutions supplemental hereto or amendatory hereof.

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

"Bonds" means the Original Bonds and any bonds on a parity therewith authorized to be issued hereunder.

"Chairman" means the Chairman of the Governing Body, or any temporary Chairman duly appointed by the Governing Body.

"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 Cerrone & Vaughn, Inc., Wheeling, West Virginia, or any engineer or firm of engineers that shall at any time hereafter be retained by the Issuer as Consulting Engineers for the System.

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

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns.

"Eligible Costs" means Costs of the Project which are reimbursable in full on a dollar-for-dollar basis from EPA Grant Receipts, the total of which are equal in amount to the EPA Grant.

"EPA" means the United States Environmental Protection Agency and any successor to the functions of the EPA.

"EPA Grant" means the grant from the EPA pursuant to the commitment therefor.

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

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

"Governing Body" means the public service board of the Issuer, consisting of 3 members, as may hereafter be constituted.

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

"Grant Agreement" means a written commitment for the payment of the EPA Grant or any of the Other Grants, specifying the amount of such Grant, the terms and conditions upon which such Grant is made and the date or dates or event or events upon which Grant is to be paid to the Issuer; provided that, "EPA Grant Agreement" means only the Grant Agreement relating to the EPA Grant and "Other Grant Agreements" means only those Grant Agreements relating to the Other Grants.

"Grant Receipts" means all moneys received by the Issuer on account of any Grant after the date of issuance of the Notes; provided that "EPA Grant Receipts" means only Grant Receipts on account of the EPA Grant, and "Other Grant Receipts" means only Grant Receipts on account of any or all of the Other Grants.

"Grants" means, collectively, the EPA Grant and the Other Grants, as hereinafter defined.

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

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

"Indenture" or "Trust Indenture" means the Trust Indenture between the Issuer and the Trustee dated as of June 15, 1984, relating to the Notes and all supplements or amendments thereto.

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

"Issuer" means East View Public Service District, 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 dated June 13, 1986, heretofore entered into between the Authority and the Issuer providing for the purchase of the Original Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized by, this Resolution or a resolution adopted by the Issuer prior to the adoption of this Resolution.

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

"Notes" means the \$440,000 in aggregate principal amount of Sewerage System Bond Anticipation Notes, Series 1984, heretofore issued by the Issuer to pay Costs of Project pending receipt of the proceeds of the Bonds.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the 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.

"Original Bonds" or "Bonds originally authorized hereby" or similar phrases means, the not more than \$500,000 in aggregate principal amount of Series 1986 Bonds issued for the purpose of paying a portion of the principal of the Notes, and for such other purposes permitted hereby and authorized by the Bond Legislation.

"Other Grants" means collectively, the WDA Grant, together with any other grant hereafter received by the Issuer to aid in financing any Costs.

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

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

"Paying Agent" means the bank or banks or other entity designated as such for the Bonds in the Supplemental Resolution or such entity or authority as may be designated by the Issuer.

"Program" means the Authority's loan program, under which the Authority purchases the water development revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of water development revenue bonds of the Authority.

"Project" means the acquisition and construction of a sewage collection and transportation system, lift stations and force mains and all necessary appurtenances.

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

(a) Government Obligations;

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

or interest coupons stripped from Government Obligations;

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

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

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

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

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements

either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia State Board of Investments pursuant to Chapter 12, Article 6 of the West Virginia Code of 1931, as amended, provided that investments by such fund on behalf of the Issuer shall be restricted to Qualified Investments described in paragraphs (a) through (g), above.

"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.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by Section 5.01 hereof.

"Reserve Account" means the Series 1986 Bonds Reserve Account established in the Sinking Fund pursuant to Section 5.02 hereof.

"Reserve Requirement" means, as of any date of calculation the maximum amount of principal and interest which will become due on the Bonds in any Fiscal Year.

"Revenue Fund" means the Revenue Fund established by Section 5.01 hereof.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Sinking Fund" means the Series 1986 Sinking Fund established by Section 5.02 hereof.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Original Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Original 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, including the Renewal and Replacement Fund and the Reserve Account.

"System" means the complete properties of the Issuer for the collection and transportation of liquid or solid wastes, sewage or industrial wastes, in its entirety or any integral part thereof, and shall include the existing facilities, if any, the Project and any further additions, betterments and improvements thereto hereafter constructed or acquired for said system from any sources whatsoever.

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

"Trustee" means the trustee named in the Indenture.

"WDA Grant" means the grant from the West Virginia Water Development Authority pursuant to the commitment therefor.

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

ARTICLE II

AUTHORIZATION OF CONSTRUCTION
AND ACQUISITION OF THE PROJECT

Section 2.01. Authorization of Construction and Acquisition of the Project. There is hereby ratified the construction and acquisition of the Project, at an estimated cost of \$1,849,077, 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 Bonds hereby authorized shall be applied as provided in Article VI hereof.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purpose of paying a portion of the Notes at their maturity and paying certain costs of issuance and related costs, there shall be issued negotiable Original Bonds of the Issuer, in an aggregate principal amount of not more than \$500,000. Said Bonds shall be designated "Sewer Revenue Bonds, Series 1986," and shall have such terms as set forth hereinafter and in the Supplemental Resolution. Proceeds of the Bonds remaining after payment of the costs of issuance thereof and related costs shall, to the extent necessary to defease the Notes, be deposited in the "BAN Debt Service Fund" established by Section 4.02 of the Indenture (the "BAN Debt Service Fund"), and thereafter, shall be deposited in the Bond Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Bonds shall bear interest at such rate or rates, not exceeding 12% per annum, or such other rate as shall then be the legal maximum, payable semiannually on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution. The Bonds shall be payable as to principal at the office of the Commission, through a Paying Agent or Paying Agents, if any, selected by the original purchaser or purchasers thereof, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Bonds shall be paid by check or draft of the Paying Agent mailed to the registered owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Original Bonds shall be issued in the form of a single bond fully registered to the Authority representing the aggregate principal amount of the Bonds and shall mature in principal installments, all as provided in the Supplemental Resolution. The Bonds shall be exchangeable at the option and expense of the Holder for other fully registered Bonds 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, may be issued in fully registered form, in the denomination of \$5,000 or any integral multiple thereof, all as determined by a Supplemental Resolution. The Bonds shall be dated as of the date specified in a Supplemental Resolution and shall bear interest from such date.

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

Section 3.04. Authentication and Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the forms set forth in Section 3.09 shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

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

So long as any of the Bonds remain outstanding, the Issuer, through the Bond Registrar, shall keep and maintain books for the registration and transfer of the Bonds.

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

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

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost.

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

Section 3.07. Bonds not to be Indebtedness of the Issuer.

The Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory

provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No holder or holders of any of the Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of all the Bonds shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Bonds and to make the payments into the Sinking Fund and the Reserve Account therein hereinafter established, are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due.

Section 3.09. Form of Original Bonds. The text of the Bonds shall be in substantially the following 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
EAST VIEW PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 1986

No. R- _____

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That EAST VIEW PUBLIC SERVICE DISTRICT, a public corporation 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ (\$ _____), in installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest rate on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, and such interest shall be payable on April 1 and October 1 in each year, beginning October 1, 1986. 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 Kanawha Valley Bank, N.A., Charleston, West Virginia, as registrar (the "Registrar") on the 15th day of the month preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the registered owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with the Loan Agreement between the Issuer and the Authority dated June 13, 1986.

This Bond is issued (i) to refund and pay a portion of the Sewerage System Bond Anticipation Notes, Series 1984, of the Issuer (the "Notes") issue to finance part of the costs of acquisition and

construction of certain new collection and transportation facilities of the Issuer (the "Project") pending issuance of this Bond; and (ii) to pay certain costs of issuance hereof and related costs. This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution and Supplemental Resolution, both duly adopted by the Issuer on the _____ day of _____, 1986 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Reserve Account and unexpended Bond proceeds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to pay the maximum amount due in any fiscal year of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Bonds, provided however, that so long as there exists in the Reserve Account an amount at least equal to the maximum amount of principal and interest which will come due on the Bonds in any fiscal year, and the reserve account established for any other obligations outstanding prior to or 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 Bond Registrar duly executed by the registered owner or its attorney duly authorized in writing.

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the payment of the Notes, 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 in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

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

IN WITNESS WHEREOF, EAST VIEW PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed hereon and attested by its Secretary, and has caused this Bond to be dated _____, 1986.

[SEAL]

Chairman

ATTEST:

Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above.

Date: _____

KANAWHA VALLEY BANK, N.A.,
as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

[Form of Assignment]

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

the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

In the presence of:

Section 3.10. Sale of Original Bonds; Execution of Loan Agreement with Authority. The Original Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairman is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority.

ARTICLE IV

[RESERVED]

ARTICLE V

SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are created with and shall be held by, the Depository Bank:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund; and
- (3) Bond Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby established with the Commission:

- (1) Sinking Fund; and

Within the Sinking Fund, the Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided.

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

(2) Thereafter, from the moneys remaining in the Revenue Fund, the Issuer shall next, on the first day of each month, commencing 7 months prior to the first date of payment of interest on the Bonds for which interest has not been capitalized, apportion and set apart out of the Revenue Fund and remit to the Commission, for deposit in the Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Bonds on the next ensuing semiannual interest payment date, less any earnings transferred from the Reserve Account for the purpose of making interest payments and investment earnings on sums previously deposited in the Sinking Fund for the purpose of making interest payments on the Bonds; provided, that, in the event the period to elapse between the date of such initial deposit in the Sinking Fund and

the next semiannual interest payment date is less than 7 months, then such monthly payments shall be increased proportionately to provide, one month prior to the next semiannual interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall also, on the first day of each month, commencing 13 months prior to the first date of payment of principal on the Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on Bonds on the next ensuing principal payment date, less any earnings transferred from the Reserve Account for the purpose of making principal payments and investment earnings on sums previously deposited in the Sinking Fund for the purpose of making principal payments on the Bonds; provided that, in the event the period to elapse between the date of such initial deposit in the Sinking Fund and the next annual principal payment date is less than 13 months then such monthly payments shall be increased proportionately to provide, one month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall also, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Reserve Account, an amount equal to 1/120 of the Reserve Requirement; provided, that no further payments shall be made into the Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Reserve Requirement.

(5) From the moneys remaining in the Revenue Fund, the Issuer shall next, on the first day of each month, commencing with the month succeeding the first full calendar month after commencement of operation of the System, transfer to the Renewal and Replacement Fund a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments credited to the Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or

extensions to the System; provided, that any deficiency in the Reserve Account [except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required by Subsection 5.03(A)(4)] shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

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

All investment earnings on moneys in the Reserve Account shall be transferred, not less than once each year, to the Sinking Fund and applied in full to the next ensuing principal payment due on the Bonds.

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

As and when additional Bonds ranking on a parity with the Original Bonds are issued, provision shall be made for additional payments into the Sinking Fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the Reserve Account in an amount equal to the maximum provided and required to be paid into the Sinking Fund in any Fiscal Year for account of all the Original Bonds, including such additional Original Bonds which by their terms are payable from the Sinking Fund.

The Issuer shall not be required to make any further payments into the Sinking Fund or into the Reserve Account therein when the aggregate amount of funds in the Sinking Fund and Reserve Account are at least equal to the aggregate principal amount of and interest due to maturity on the Bonds then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Sinking Fund created hereunder, and all amounts required for Sinking Fund shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

Payments into the Sinking Fund shall be made on the first day of each month, except that when the first day of any month shall be a Sunday or legal holiday then such payment shall be made on the next succeeding business day, and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

Moneys in the Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Sinking Fund, including the Reserve Accounts therein, shall be used solely and only for, and is hereby pledged for, the purpose of servicing the Bonds and any additional Bonds ranking on a parity therewith that may be issued and Outstanding under the conditions and restrictions hereinafter set forth.

B. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in said Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into the Sinking Fund, including the Reserve Account therein, and the Renewal and Replacement Fund during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System, including, but not limited to, payment to the Trustee for deposit in the Notes Debt Service Fund, as defined in the Indenture.

C. The Issuer shall remit from the Revenue Fund to the Commission, the Paying Agent or the Depository Bank, on such dates as the Commission, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay the Depository Bank's charges and the Paying Agent fees then due.

D. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in the Revenue Fund and the Renewal and Replacement Fund shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified

Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

E. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates.

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

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

H. All Tap Fees shall be deposited by the Issuer, as received, in the Bond Construction Trust Fund, and, following completion of the Project shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; FUNDS AND ACCOUNTS

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

A. The amount of proceeds, which together with other moneys in the BAN Debt Service Fund (as defined in the Indenture) is sufficient to pay the entire principal amount of and interest accrued on the Notes at the maturity thereof shall first be deposited with the Trustee in said BAN Debt Service Fund.

B. The remaining moneys, if any, derived from the sale of the Bonds shall be deposited with the Depository Bank in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02.

C. The Depository Bank shall act as a trustee and fiduciary for the Bondholders with respect to the Bond Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Bond Construction Trust Fund set forth in the Bond Legislation. Moneys in the Bond Construction Trust Fund shall be used solely to pay Costs of the Project and until so expended, are hereby pledged as additional security for the Bonds.

Section 6.02. Disbursements From the Bond Construction Trust Fund. Payments for Costs of the Project shall be made monthly.

Disbursements from the Bond Construction Trust Fund, except for the costs of issuance thereof which shall be made upon request of the Issuer, shall be made only after submission to the Depository Bank of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating:

(A) That none of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(B) That each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;

(C) That each of such costs has been otherwise properly incurred; and

(D) That payment for each of the items proposed is then due and owing.

In case any contract provides for the retention of a portion of the contract price, the Depository Bank shall disburse from the Bond Construction Trust Fund only the net amount remaining after deduction of any such portion. All payments made from the Bond Construction Trust Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Bond Construction Trust Fund. The Consulting Engineers shall from time to time file with the Depository Bank written statements advising the Depository Bank of its then authorized representative.

Pending such application, moneys in the Bond Construction Trust Fund, including any accounts therein, shall be invested and reinvested in qualified investments at the direction of the Issuer.

After completion of the Project, as certified by the Consulting Engineers, the Depository Bank shall transfer any moneys remaining in the Bond Construction Trust Fund to the Reserve Account.

ARTICLE VII

COVENANTS OF THE ISSUER

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

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay said Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the operation of the System to the extent necessary to make the payments required under Section 5.03 of this Resolution. The revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Bonds and to make the payments into the Sinking Fund, including the Reserve Account therein, and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided therein, to the payment of the principal of and interest on the Bonds as the same become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the Order of the Public Service Commission of West Virginia entered May 15, 1984 (Case No. 83-488-S-ON).

Section 7.05. Sale of the System. The System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be

realized shall be sufficient to pay fully all the Bonds Outstanding, or to effectively defease this Resolution in accordance with Section 10.01 hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Bonds, immediately be remitted to the Commission for deposit in the Sinking Fund, and, in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal at maturity of and interest on the Bonds about to mature. Any balance remaining after the payment of all the Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, by resolution, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds derived from any such sale, lease or other disposition of such property, aggregating during such Fiscal Year in excess of \$10,000 and not in excess of \$50,000, shall, with the written consent of the Authority, be remitted by the Issuer to the Commission for deposit in the Sinking Fund and shall be applied only to the purchase of Bonds of the last maturities then Outstanding at prices not greater than the par value thereof plus 3% of such par value or otherwise, shall be deposited in the Renewal and Replacement Fund. Such payment of such proceeds into the Sinking Fund or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds

to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of \$50,000 and insufficient to pay all the Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of over 50% in amount of the Bonds then Outstanding and the Consulting Engineers. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

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

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

Section 7.07. Parity Bonds. A. No Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of any Bonds pursuant to this Bond Legislation, except under the conditions and in the manner herein provided.

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

No Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, based upon the necessary investigation and certification by the Consulting Engineers, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

- (A) The Bonds then Outstanding;
- (B) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding;
- (C) The Parity Bonds then proposed to be issued; and
- (D) Any other obligations secured by or payable from the Net Revenues prior to the Bonds.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates enacted by the Issuer, the period for appeal of which has expired prior to the date of delivery of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Consulting Engineers, which shall be filed in the office of the Secretary prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Consulting Engineers and the said Independent Certified Public Accountants, as stated in a certificate jointly made and signed by the Consulting Engineers and said Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the period for appeal of which has expired prior to issuance of such Parity Bonds.

Not later than simultaneously with the delivery of such Parity Bonds, the Issuer shall have entered into written contracts for the immediate construction or acquisition of such additions, betterments or improvements, if any, to the System that are to be financed by such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. All such Parity Bonds, 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 Parity Bond of one series over any other Parity Bond of the same series. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

All Parity Bonds shall mature on the day of the years of maturities, and the semiannual interest thereon shall be payable on the days of each year, specified in a Supplemental Resolution.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, 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 Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Bond Legislation with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

B. Notwithstanding the foregoing, or any provision of Section 7.06 to the contrary, additional Bonds on parity with the Bonds may be issued solely for the purpose of completing the Project as described in the application to the Authority submitted on the

date of the Loan Agreement without regard to the restrictions set forth in this Section 7.07.

Section 7.08. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds issued pursuant to this Bond Legislation shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

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

The Issuer shall file with the Consulting Engineers, the Trustee and the Authority, or any other original purchaser of the Bonds, and shall mail in each year to any Holder or Holders of Bonds 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 with respect to said Bonds and the status of all said funds and accounts.

C. The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of Bonds and shall file said report with the Authority, or any other original purchaser of the Bonds.

Section 7.09. Rates. Prior to the issuance of the Bonds, equitable rates or charges for the use of and service rendered by the System will 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 Secretary, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from said System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. The Issuer shall take the necessary actions with respect to the imposition of rates at such times and with such provisions with respect to interest rate and maturity of the Bonds to finance the issuance of the Bonds as the purchasers thereof shall require. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other Gross Revenues, (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each Fiscal Year equal to at least 115% of the maximum amount required in any Fiscal Year for payment of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Bonds; provided that, in the event that an amount equal to or in excess of the Reserve Requirement is on deposit in the Reserve Account and reserve accounts for obligations prior to or on a parity with the Bonds are funded at least at the requirement therefor, such balance each Fiscal Year need only equal at least 110% of the maximum amount required in any Fiscal Year for payment of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Bonds.

Section 7.10. Operating Budget and Audit. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated expenditures for operation and maintenance of the System during the succeeding Fiscal Year. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by the Consulting Engineers, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly

adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of the Consulting Engineers that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any Holder of any Bonds or anyone acting for and in behalf of such Holder.

In addition, the Issuer shall annually cause the records of the System to be audited by an independent certified public accountant, the report of which audit shall be submitted to the Authority and which audit report shall include a statement that the Issuer is in compliance with the terms and provisions of this Bond Legislation and the Loan Agreement.

Section 7.11. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with the System.

Section 7.12. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid 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 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 and facilities of the System and any services and facilities of the water system, if then owned by the Issuer, to all delinquent users of services and facilities of the System and will not restore such services of either system until all billing for charges for the services and facilities of the System, plus reasonable interest penalty charges for the restoration of service, has been fully paid.

Section 7.13. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality officer or employee of the Issuer shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.14. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as any of the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily carried with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be 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 actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for said Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(B) PUBLIC LIABILITY INSURANCE, with limits of not less than \$1,000,000 per occurrence to protect the Issuer from claims for bodily injury and/or death and not less

than \$100,000 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.

(C) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

B. The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project.

Section 7.15. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30 day notice of the availability of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or water-borne waste matter and which is not so connected

with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

Section 7.16. Completion of Project. The Issuer will complete the Project and operate and maintain the System in good condition.

Section 7.17. Statutory Mortgage Lien. For the further protection of the Holders of the Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Bonds and shall be for the equal benefit of all Holders of the Bonds.

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation or the Indenture, other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the direction of the 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 (except for transfers permitted hereunder), and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount. The Commission, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss 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 bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

Section 8.02. Restrictions as to Arbitrage Bonds. The Issuer hereby covenants, and hereby so instructs the Bond Commission and the Trustee that they 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 to acquire any securities or obligations the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 103(c)(2) of the Internal Revenue Code (or any successor provision), and an Authorized Officer shall deliver his certificate, based upon this covenant, with regard thereto to the purchaser of the Original Bonds.

ARTICLE IX

DEFAULT AND REMEDIES

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

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

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Bonds set forth in this Bond Legislation, any supplemental resolution, or in the Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Paying Agent, Depository Bank, any other bank or banking association holding any fund or account hereunder or a Holder of a Bond; or

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

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

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered

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

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

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character

belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

DEFEASANCE

Section 10.01. Defeasance of Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all 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 Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Bonds 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 Agents at the same or earlier time, shall be sufficient, to pay as and when due the principal installments of and interest on the Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its 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 the Bonds on and prior to the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on the 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 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. No material modification or amendment of this Bond Legislation, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the respective rights of Registered Owners of the Bonds shall be made without the consent in writing of the Registered Owners of 66-2/3% or more in principal amount of the Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein respectively pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds 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 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 Resolution should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, the Supplemental Resolution, or the 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. Amendments to Maintain Tax Exemption. The Issuer hereby covenants to make any amendment or supplements to this Resolution to enable the interest on the Bonds to remain exempt from federal income taxation, and to preserve and maintain such tax exemption until the maturity or redemption thereof without further consent of the Holders of the Bonds.

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

Section 11.07. 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 enactment of this Resolution do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Chairman, Secretary and members of the the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

Section 11.08. Public Notice of Proposed Financing. Prior to adoption of this Resolution, the Secretary of the Governing Body shall have caused to be published in a newspaper of general circulation within the boundaries of East View Public Service District, a Class II legal advertisement stating:

(a) The respective maximum amounts of the Bonds to be issued;

(b) The respective maximum interest rates and terms of the Bonds originally authorized hereby;

(c) The Project to be acquired or constructed and the cost of the same;

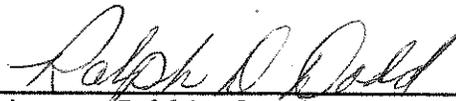
(d) The anticipated rates which will be charged by the Issuer; and

(e) The fact that a form is available in the office of the Clerk of The County Commission of Harrison County and in the office of the Issuer for residents of that portion of the District which will be served by the Project who are registered voters to sign indicating their opposition to the Issuer's borrowing money or issuing the Bonds or the Notes originally authorized hereby, as the case may be. The Secretary of the Governing Body shall cause such form to be provided to said county clerk.

The Secretary of the Governing Body shall have also caused to be posted in conspicuous places throughout that portion of East View Public Service District which will be served by the Project signs measuring not less than 8 1/2 inches in width and 11 inches in length which include the same information as required in the Class II legal advertisement set forth above.

Section 11.09. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 11th day of June, 1986.



Chairman, Public Service Board



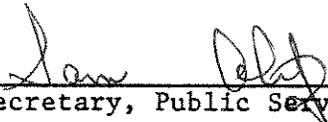
Member, Public Service Board

Member, Public Service Board

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of East View Public Service District on this 11th day of June, 1986.

[SEAL]


Secretary, Public Service Board

06/09/86
EVSEW2-A

"EXHIBIT A"

EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 1986

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO DATE, MATURITY, INTEREST RATE, PRINCIPAL PAYMENT SCHEDULE, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1986, OF EAST VIEW PUBLIC SERVICE DISTRICT; AUTHORIZING AND APPROVING A LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS

WHEREAS, the public service board (the "Governing Body") of EAST VIEW PUBLIC SERVICE DISTRICT (the "Issuer"), has duly and officially adopted a resolution effective June 11, 1986 (the "Bond Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF EAST VIEW PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN \$500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1986, PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Bond Resolution provides for the issuance of Sewer Revenue Bonds of the Issuer (the "Bonds"), in an aggregate principal amount of not to exceed \$500,000, and has authorized the execution and delivery of a Loan Agreement (the "Loan Agreement") dated as of June 13, 1986, by and between the Issuer and West Virginia Water Development Authority (the "Authority"), all in accordance with West Virginia Code, Chapter 16, Article 13A (the "Act"); and in the Bond Resolution, it is provided that the maturity date, interest rate, interest and principal payment dates, sale

price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF EAST VIEW PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 1986, of the Issuer, originally represented by a single Bond, numbered R-1, in the principal amount of \$340,000. The Bonds shall be dated June 13, 1986, shall finally mature October 1, 2025, shall bear interest at the rate of 9.75% per annum, payable semiannually on April 1 and October 1 of each year, first interest payable October 1, 1986, shall be subject to redemption upon the written consent of the Authority, and upon payment of the interest and redemption premium provided in, and otherwise in compliance with, the Loan Agreement, as long as the Authority shall be the registered owner of the Bonds, and shall be payable in installments of principal on October 1 of each of the years and in the amounts as set forth in "Schedule X," attached thereto and incorporated therein by reference.

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

Section 3. The Issuer does hereby approve and accept the Loan Agreement dated June 13, 1986, between the Authority and the Issuer, a copy of which is incorporated herein by reference, and the execution and delivery by the Chairman of the Loan Agreement, and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, approved and directed. The price of the Bonds shall be \$340,000 (100% of par value).

Section 4. The Issuer does hereby appoint and designate Kanawha Valley Bank, N.A., Charleston, West Virginia, as Registrar for the Bonds and does approve and accept the Registrar's Agreement dated as of June 13, 1986, by and between the Issuer and Kanawha Valley Bank, N.A., in substantially the form attached hereto, and the execution and delivery by the Chairman of the Registrar's Agreement, and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and direct the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent for the Bonds.

Section 6. The Issuer does hereby appoint Community Bank & Trust, National Association, West Virginia, as Depository Bank under the Bond Resolution.

Section 7. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Resolution approved and provided for, to the end that the Bonds may be delivered on or about June 13, 1986, to the Authority pursuant to the Loan Agreement.

Section 8. The financing of the Project by the Bond and by the Notes 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 9. There shall be no interest capitalized upon the Bonds.

Section 10. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 11th day of June, 1986.

EAST VIEW PUBLIC SERVICE DISTRICT



Chairman

06/11/86
EVSEW1-B

RECEIVED

MAR 29 1985

LOAN AGREEMENT

WATER DEVELOPMENT AUTHORITY

THIS LOAN AGREEMENT, Made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), and the EAST VIEW PUBLIC SERVICE DISTRICT, a public service district created and existing under Chapter 16, Article 13A, of the Code of West Virginia, 1931, as amended, and a public corporation and political subdivision of the State of West Virginia (the "Governmental Agency").

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 20, Article 5C, of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered to make loans to governmental agencies for the acquisition or construction of water development projects by such governmental agencies and to issue water development revenue bonds of the State of West Virginia (the "State") to finance, in whole or in part, by loans to governmental agencies, one or more water development projects, all subject to such provisions and limitations as are contained in the Act;

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State to construct, operate and improve such a water development project and to finance the cost of constructing or acquiring the same by borrowing money to be evidenced by revenue bonds issued by such Governmental Agency and, pending the issuance of such revenue bonds, by bond anticipation notes or other short-term indebtedness issued by such Governmental Agency;

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

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for Loan with attachments and exhibits, dated February 22, 1984 (as revised and supplemented, the "Application"), which Application is incorporated herein by this reference;

WHEREAS, upon review of the Application, the Authority issued the Governmental Agency a letter, dated March 27, 1984 (the "Commitment Letter"), agreeing to lend the Governmental Agency an amount not to exceed \$440,000 through the purchase of revenue bonds of the Governmental Agency with proceeds of the next issue of revenue bonds by the Authority, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Authority's water development loan program (the "Program");

WHEREAS, based in part upon the Commitment Letter, the Governmental Agency has issued bond anticipation notes or other short-term indebtedness, which is outstanding as of the date hereof and is anticipated to be paid in whole or in part from the net proceeds of such revenue bonds to be purchased by the Authority;

WHEREAS, the Authority intends to issue West Virginia Water Development Authority Water Development Refunding and Improvement Revenue Bonds (Loan Program), 1985 Series A (the "1985 Series A Bonds"), in accordance with the provisions of the Act and a general resolution to be adopted by the Authority (the "General Resolution") and to be supplemented by a series resolution authorizing the 1985 Series A Bonds;

WHEREAS, pursuant to the Program, the Authority intends to use the proceeds of the 1985 Series A Bonds to purchase the revenue bonds of certain municipalities and public service districts, including the Governmental Agency, which comply with the requirements established by the Authority, subject, however, to the ability of the Authority to sell the 1985 Series A Bonds and to the extent of the availability of the proceeds of such 1985 Series A Bonds; and

WHEREAS, the Authority has made all findings required by Section 5 of the Act with respect to the Project and is willing to make said loan to the Governmental Agency, subject to the terms and provisions hereinafter contained;

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

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "water development revenue bond," "cost," "governmental agency," "water development project" and

"water facility" have the definitions and meanings ascribed to them in the Act.

1.2 "Consulting Engineers" means the consulting engineer designated in the Application and any successor thereto.

1.3 "EPA" means the United States Environmental Protection Agency and any successor to the functions thereof.

1.4 "Governmental Agency Bonds" means, collectively, the Local Bonds and any Supplemental Bonds, both as hereinafter defined.

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

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

1.7 "Local Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the Loan and to be purchased by the Authority with a portion of the proceeds of its 1985 Series A Bonds, all in accordance with the provisions of this Loan Agreement.

1.8 "Local Statute" means Chapter 16, Article 13A, of the Code of West Virginia, 1931, as amended.

1.9 "Notes" means the bond anticipation notes or other short-term indebtedness issued by the Governmental Agency for the purpose of financing a portion of the cost of the Project, all or a portion of which is to be paid from the proceeds of the WDA Loans, as hereinafter defined.

1.10 "Project" means the water development project hereinabove referred to, constructed or being constructed by the Governmental Agency with, among other funds, the net proceeds of the Notes.

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

1.12 "Supplemental Bonds" means the revenue bonds, if any, to be issued by the Governmental Agency pursuant to the provisions of the Local Statute to evidence the Supplemental

Loan, as hereinafter defined, and to be purchased by the Authority with funds other than the proceeds of its 1985 Series A Bonds, all in accordance with the provisions of this Loan Agreement.

1.13 "Supplemental Loan" means the loan, if any, to be made by the Authority to the Governmental Agency through the purchase of Supplemental Bonds to effect an aggregate cost to the Governmental Agency of borrowing from the Authority lower than the cost of the Loan.

1.14 "System" means the public service properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes owned by the Governmental Agency and any improvements or extensions thereto hereafter constructed or acquired from any sources whatsoever and includes the Project.

1.15 "WDA Loans" means, collectively, the Loan and any Supplemental Loan.

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

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority having found that the Project is consistent with the applicable comprehensive plan of water management approved by the Director of the West Virginia Department of Natural Resources (or in the process of preparation by such Director), has been approved by the West Virginia Department of Health (to the extent such approval is required) and is consistent with the standards set by the West Virginia Water Resources Board for the waters of the State affected thereby.

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to such mortgage lien or other security interest as is provided for in the Local Statute.

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

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

2.6 The Governmental Agency agrees that it will permit the Authority and EPA and their respective agents to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof.

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation

coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and all subcontractors, as their interests may appear.

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

2.10 The Governmental Agency agrees that it will at all times provide operation and maintenance of the System to comply with the water quality standards established by the West Virginia Department of Natural Resources and EPA. The Governmental Agency agrees that qualified operating personnel properly certified by the State will be retained to operate the System during the entire term of this Loan Agreement.

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

ARTICLE III

Conditions to WDA Loans; Issuance of Governmental Agency Bonds

3.1 The agreement of the Authority to make the WDA Loans is subject to the Authority's issuing and delivering the 1985 Series A Bonds and subject to the requirements of Section

3.4 hereof and to the fulfillment, to the satisfaction of the Authority, of each and all of those certain conditions precedent on or before the delivery date for the Governmental Agency Bonds, which shall be the date designated at the end of this Loan Agreement as the "Date of WDA Loans Closing"; provided that, if such Governmental Agency Bonds are not delivered on the Date of WDA Loans Closing so designated, the Authority may use such moneys allocated for the purchase of the Governmental Agency Bonds for the purchase of revenue bonds of other governmental agencies in accordance with Section 3.5 hereof. Said conditions precedent are as follows:

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

(b) The Governmental Agency shall have authorized the issuance of and delivered to the Authority for purchase the Governmental Agency Bonds described in Section 3.2 hereof;

(c) The Governmental Agency shall have received bids for the construction of the Project in an amount and otherwise compatible with the plan of financing described in the Application, and the Authority shall have received a certificate of the Consulting Engineers to such effect;

(d) The Project shall have been or shall be constructed in accordance with the plans, specifications and designs prepared therefor by the Consulting Engineers and as described in the Application, and the Authority shall have received a certificate of the Consulting Engineer to such effect;

(e) The Governmental Agency shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, including permits from the EPA and the West Virginia Department of Natural Resources, and the Authority shall have received a certificate of the Consulting Engineers to such effect;

(f) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") necessary for the issuance of the Governmental Agency Bonds, construction of the Project and imposition of rates and charges and shall have taken any other action required for the imposition of such rates and charges, and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel, to such effect;

(g) Such rates and charges for the System shall comply with the provisions of Subsection 4.1(b)(iii) hereof, and the Authority shall have received a certificate of the accountants for the Governmental Agency, or such other person or firm experienced in the finances of governmental agencies and satisfactory to the Authority, to such effect; and

(h) The net proceeds of the Governmental Agency Bonds, together with all moneys on deposit and irrevocably pledged thereto, the proceeds of grants irrevocably committed therefor and the net proceeds of any obligations subordinate, junior and inferior as to lien and source of and security for payment to the Governmental Agency Bonds, issued therefor simultaneously with or prior to the issuance of the Governmental Agency Bonds, shall be sufficient to pay in full the Notes at or prior to the maturity thereof and to pay in full any remaining costs of the Project as the same become due, and the Authority shall have received a certificate, of such person or firm and in form and substance satisfactory to the Authority, to such effect.

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the Authority and the rules, regulations and procedures promulgated from time to time by EPA, it is hereby agreed that the Authority shall make the WDA Loans to the Governmental Agency and the Governmental Agency shall accept the WDA Loans from the Authority, and in furtherance thereof it is agreed that the Governmental Agency shall sell to the Authority and the Authority shall make the WDA Loans by purchasing the Governmental Agency Bonds in the respective principal amounts set forth in Schedule X hereto. The aggregate principal amount of the Governmental Agency Bonds shall not exceed the amount set forth in the Commitment Letter, rounded upward if necessary to an integral multiple of \$5,000. The Local Bonds will be purchased by the Authority at the price set forth in Schedule X hereto, and any Supplemental Bonds will be purchased by the Authority at a price equal to one hundred percent (100%) of the principal amount thereof. The Governmental Agency Bonds shall have such further terms and provisions as described in Article IV hereof.

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

3.4 The Governmental Agency hereby covenants and agrees to adopt any necessary amendments or supplements to its Local Act, to obtain any additional governmental approvals and to take any other actions that may be required by the issuance of any Supplemental Bonds.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Authority for loans to finance water development projects and that the obligation of the Authority to make any such loan is subject to the sale and the availability of proceeds of the 1985 Series A Bonds at the time the Governmental Agency has fulfilled all of the terms and conditions of this Loan Agreement and to the right of the Authority to make such loans to other governmental agencies as in the aggregate will permit the fullest and most timely utilization of such proceeds to enable the Authority to pay debt service on the 1985 Series A Bonds.

3.6 In the event the Governmental Agency Bonds are not delivered to the Authority on the designated Date of WDA Loans Closing but, at the sole option of the Authority, as described in said Section 3.1, are delivered to the Authority subsequent to such date, and the earnings on that portion of the proceeds of the 1985 Series A Bonds issued to purchase the Local Bonds are not sufficient to pay the interest accruing on said portion of the 1985 Series A Bonds between such designated Date of WDA Loans Closing and such date of actual delivery, the Governmental Agency agrees to issue additional bonds, in principal amount equal to such deficiency (as determined by the Authority), and to sell such additional bonds to the Authority and assign the proceeds thereof to the Authority, which shall use such proceeds to reimburse itself for such deficiency.

ARTICLE IV

Governmental Agency Bonds; Security for WDA Loans;
Repayment of WDA Loans; Interest on WDA Loans;
Fees and Charges

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the WDA Loans, authorize the issuance of and issue the Governmental Agency Bonds pursuant to an official action of the Governmental Agency in accordance with the Local Statute, which shall, as adopted, contain provisions and covenants in substantially the form as follows:

(a) That the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as follows:

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by an outstanding local resolution, indenture or other act or document, as reflected on Schedule X hereto, and beginning seven (7) months prior to the first date of payment of

interest on the Local Bonds from revenues and thirteen (13) months prior to the first day of payment of principal of the Local Bonds, respectively, to provide debt service on the Local Bonds by depositing in a sinking fund one-sixth (1/6) of the interest payment next coming due on the Local Bonds and one-twelfth (1/12) of the principal payment next coming due on the Local Bonds and, if a reserve account for the payment of debt service on the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in any year (the "Reserve Requirement"), by depositing in the Reserve Account an amount equal to one-twelfth (1/12) of one-tenth (1/10) of the amount necessary to fund the Reserve Account at the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

(iv) to provide debt service on any Supplemental Bonds in substantially the same manner as set forth in Paragraph (ii), above, with respect to the Local Bonds, including establishing or maintaining, as the case may be, a reserve account;

(v) to provide debt service on and requisite reserves for any additional bonds issued to the Authority pursuant to Section 6.4 hereof; and

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

The gross revenues of the System shall always be used for purposes of the System.

(b) Covenants substantially as follows:

(i) That the Governmental Agency Bonds shall be secured by the net revenues from the System;

(ii) That any Supplemental Bonds shall be subordinate to the Local Bonds as to lien and source of payment;

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

(iv) That the Governmental Agency will complete the Project and operate and maintain the System in good condition;

(v) That the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Governmental Agency Bonds outstanding, with further restrictions on the disposition of portions of the System as are normally contained in such covenants;

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

parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

(vii) That the Governmental Agency will carry such insurance as is customarily carried with respect to works and properties similar to the System;

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

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

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

(xi) That it will, to the full extent permitted by applicable law and the rules and regulations of the PSC, discontinue and shut off the services and facilities of the System and, in the event the Governmental Agency owns a water facility (the "Water System"), the Water System to all users of services of the System delinquent in payment of charges for the services of the System and will not restore the services of either system until all delinquent charges for the services of the System have been fully paid;

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

(xiii) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant, the report of which audit shall be submitted to the Authority and shall include a statement that the Governmental Agency is in compliance with the

terms and provisions of the Local Act and this Loan Agreement;

(xiv) That the Governmental Agency shall annually adopt a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year;

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

(xvi) That, except to the extent used to refund the Notes, the proceeds of the Governmental Agency Bonds, except for accrued interest and capitalized interest, if any, must be deposited in a construction fund on which the owner of the Governmental Agency Bonds shall have a lien until such proceeds are applied to the construction of the Project; and

(xvii) That, as long as the Authority is the owner of any of the Governmental Agency Bonds, the Governmental Agency shall not authorize redemption thereof by it without the written consent of the Authority and otherwise in compliance with this Loan Agreement.

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

4.2 The WDA Loans shall be secured by the pledge and assignment by the Governmental Agency, as effected by the Local Act, of all the fees, charges and other revenues of the Governmental Agency from the System remaining after the payment of Operating Expenses and as otherwise provided in the Local Act, subject only to such reservations and exceptions as are described in Schedule X hereto or are otherwise expressly permitted in writing by the Authority.

4.3 The principal of the WDA Loans shall be repaid by the Governmental Agency annually on the day and in the years

provided in Schedule X hereto. Interest payments on the Loan shall be made by the Governmental Agency on a semiannual basis as provided in said Schedule X.

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

4.5 The Governmental Agency Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Governmental Agency.

4.6 The Governmental Agency agrees to pay from time to time, as required by the Authority, the Governmental Agency's allocable share of the reasonable administrative expenses of the Authority relating to the Program. Such administrative expenses shall be as determined by the Authority and shall include without limitation Program expenses and fees paid to the trustee and paying agents for the 1985 Series A Bonds. The Governmental Agency hereby specifically authorizes the Authority to exercise the powers granted it by Section 9.06 of the General Resolution.

4.7 As long as the Authority is the registered owner of any of the Governmental Agency Bonds outstanding, the Governmental Agency shall not redeem such Governmental Agency Bonds outstanding without the written consent of the Authority, and any such redemption of Local Bonds authorized by the Authority shall provide for the payment of interest to the first allowable redemption date for the 1985 Series A Bonds and the redemption premium payable on the 1985 Series A Bonds redeemable as a consequence of such redemption of Local Bonds, all as further prescribed by Section 9.11 of the General Resolution. Nothing in this Loan Agreement shall be construed to prohibit the Authority from refunding its 1985 Series A Bonds, and such refunding need not be based upon or result in any benefit to the Governmental Agency.

ARTICLE V

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

5.1 The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions

and requirements of this Loan Agreement and the Local Act. The Governmental Agency hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to make the WDA Loans, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System, as set forth in the Local Act and in compliance with the provisions of Subsection 4.1(b)(iii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Governmental Agency Bonds shall prove to be insufficient to produce the minimum sums set forth in the Local Act, the Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges so as to provide funds sufficient to produce the minimum sums set forth in the Local Act.

5.3 In the event the Governmental Agency defaults in the payment of any fees due to the Authority pursuant to Section 4.6 hereof, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency, the Authority may exercise any or all of the rights and powers granted under Section 6a of the Act, including without limitation the right to impose, enforce and collect directly charges upon users of the System.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby acknowledges to the Authority its understanding of the provisions of the Act, vesting in the Authority certain powers, rights and privileges in respect of water development projects in the event of default by governmental agencies in the terms and covenants of loan agreements, and the Governmental Agency hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Governmental Agency shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Loan Agreement.

6.2 To the extent required by law, the Governmental Agency hereby covenants and agrees to secure approval of the Authority and all other State agencies having jurisdiction before applying for federal financial assistance for pollution abatement in order to maximize the amounts of such federal financial assistance received or to be received for all water development projects in the State.

6.3 The Governmental Agency hereby covenants that, to the extent the proceeds of the Governmental Agency Bonds are used to refund Notes (the "Refunding Proceeds"), the yield to the Governmental Agency upon any investment of the Refunding Proceeds shall be restricted and may in no event exceed the yield on the Governmental Agency Bonds. "Yield" shall be calculated in the manner provided in United States Treasury Regulations §§1.103-13 and 1.103-14.

6.4 At the option of the Authority, the Governmental Agency shall issue and sell to the Authority additional, subordinate bonds to satisfy the obligation of the Governmental Agency described in Section 3.6, above, or to evidence the Governmental Agency's obligation to repay to the Authority any hardship grant received by the Governmental Agency from the Authority in excess of the amount to which the Governmental Agency is entitled pursuant to applicable policies or rules and regulations of the Authority, and the Governmental Agency may issue and sell to the Authority additional, subordinate bonds to fund the Reserve Account or to provide additional funds to the Governmental Agency for completion of construction of the Project. The principal amount of any such additional bonds shall be considered in addition to the maximum principal amount described in Section 3.2, above.

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

ARTICLE VII

Miscellaneous

7.1 Schedule X shall be attached to this Loan Agreement at the time of execution hereof by the Authority and shall be approved by an official action of the Governmental Agency supplementing the Local Act.

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

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

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

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

7.6 The 1985 Series A Bonds constitute the next issue of revenue bonds by the Authority contemplated by the Commitment Letter. Accordingly, if the Governmental Agency does not execute this Loan Agreement and return it to the Authority by the date designated below, any obligations of the Authority under the Commitment Letter shall terminate, and the Authority shall have no further obligations to the Governmental Agency.

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

7.8 This Loan Agreement shall terminate upon the earlier of:

(i) at the option of the Authority, failure by the Governmental Agency to deliver the Governmental Agency Bonds to the Authority on the Date of WDA Loan Closings designated below;

(ii) termination by the Authority pursuant to Section 6.5 hereof; or

(iii) payment in full of the principal of and interest on the WDA Loans and of any fees and charges owed by the Governmental Agency to the Authority.

Notwithstanding the foregoing, the Governmental Agency may terminate this Loan Agreement by written notice to the Authority within one week after receipt by the Governmental Agency of Schedule X hereto if the interest rate on the Governmental Agency Bonds exceeds ten percent (10%) per annum or the discount on the Governmental Agency Bonds exceeds five percent (5%) (in both cases, calculated as if the Governmental Agency Bonds constituted one issue).

REQUIRED DATE OF RETURN TO AUTHORITY: March 29, 1985

DATE OF WDA LOANS CLOSING (must be the business day on which the Governmental Agency is required to issue its revenue bonds pursuant to the terms of the resolution authorizing the Notes or, if there is no such specific requirement, one business day prior to the scheduled maturity of the Notes or the earlier redemption date thereof if the Notes are in fact called for redemption, but not later than 27 months from the date the 1985 Series A Bonds are delivered to the original purchasers thereof): June 14, 1986

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed by their respective duly authorized officers as of the date executed below by the Governmental Agency, but this Loan Agreement shall not be binding on the Authority until executed by it.

EAST VIEW PUBLIC SERVICE DISTRICT

(SEAL)

By *David R. Smith*
Chairman, Public Service Board

Attest:

Date: 3/29/85

James V. Ames

~~Secretary,--Public-Service~~
~~-Board~~

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

(SEAL)

By

Edgar N. Henry
Director

Attest:

Date:

May 22, 1985

Daniel B. [Signature]
Secretary-Treasurer

EXHIBIT A

[Opinion of Bond Counsel for Governmental Agency]

[To Be Dated as of Date of WDA Loans Closing]

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25064

Gentlemen:

We are bond counsel to East View Public Service District (the "Governmental Agency"), a public service district and a public corporation and political subdivision of the State of West Virginia, created and existing under Chapter 16, Article 13A, of the Code of West Virginia, 1931, as amended (the "Local Statute").

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of a loan agreement, dated _____, 19__ (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of two separate series of revenue bonds of the Governmental Agency, dated _____, 19__ (the "Governmental Agency Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The series of Governmental Agency Bonds described in the Loan Agreement as Local Bonds is in the principal amount of \$_____, issued in the form of one bond registered as to principal and interest to the Authority, interest payable _____ 1 and _____ 1 of each year, beginning _____ 1, 19__, at the respective rate or rates and with principal payable in installments on _____ 1 in each of the years, all as follows:

<u>Year</u>	<u>Installment</u>	<u>Interest Rate</u>
-------------	--------------------	----------------------

The series of Governmental Agency Bonds described in the Loan Agreement as the Supplemental Bonds is in the principal amount of \$_____, issued in the form of one bond registered as to principal to the Authority, without interest thereon, with principal payable in installments on _____ 1 in each of the years, as follows:

Year

Installment

The Governmental Agency Bonds are issued for the purpose of _____ and paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of the Local Statute, under which the Governmental Agency Bonds are issued, and the Loan Agreement that has been undertaken, including all schedules and exhibits to the Loan Agreement. The Governmental Agency Bonds have been authorized by a bond resolution (the "Local Act") duly adopted by the Governmental Agency, which contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement. The Governmental Agency Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

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

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

3. The Governmental Agency is a duly organized and presently existing public service district and political subdivision of the State of West Virginia, with full power and authority to construct and acquire the Project and to operate and maintain the System referred to in the Loan Agreement and to issue and sell the Governmental Agency Bonds, all under the Local Statute and other applicable provisions of law.

4. The Governmental Agency has legally and effectively adopted the Local Act and all other necessary resolutions in connection with the issuance and sale of the Governmental Agency Bonds.

5. The Governmental Agency Bonds are valid and legally enforceable special obligations of the Governmental Agency, payable from the net revenues of the System referred to in the Local Act and secured by a [first] lien on and pledge of the net revenues of said System, all in accordance with the terms of the Governmental Agency Bonds and the Local Act, and have been duly issued and delivered to the Authority.

6. The Governmental Agency has reserved the right to issue additional bonds ranking on a parity with the Local Bonds, as provided in the Local Act.

7. The Governmental Agency Bonds are, by statute, exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is exempt from federal income taxation.

No opinion is given herein as to the enforceability of remedies with respect to the Governmental Agency Bonds under any applicable bankruptcy, insolvency, moratorium or other laws affecting creditors' rights.

We have examined executed Local Bond numbered R-1 and Supplemental Bond numbered S-1, and in our opinion the form of said bonds and their execution are regular and proper.

Very truly yours,

"SCHEDULE X"

EAST VIEW PUBLIC SERVICE DISTRICT

Description of Governmental Agency Bonds

Principal Amount of Local Bonds	\$340,000
Purchase Price of Local Bonds	\$340,000 (par)

No Supplemental Bonds are to be issued.

Interest on Local Bonds is payable on April 1, and October 1 in each year, beginning with the first semi-annual interest payment date after delivery of the Local Bonds to the Authority, until the Local Bonds are paid in full, at the rate of 9.75% per annum. Principal of Local Bonds is payable on October 1 in each year as set forth on Exhibit 1 hereof.

Principal Amount of outstanding prior or parity indebtedness as of
May 22, 1985: \$-0-

06/24/86
EVSEW1-V

EAST VIEW PUBLIC SERVICE DISTRICT
LOCAL BONDS

SCHEDULE OF ANNUAL DEBT SERVICE

MATURITY DATE	COUPON	PRINCIPAL	INTEREST	DEBT SERVICE
10/ 1/1986	0.000	0.00	15.705.84	15.705.84
10/ 1/1987	9.750	1.134.00	41.574.29	42.708.29
10/ 1/1988	9.750	1.245.00	41.463.73	42.708.73
10/ 1/1989	9.750	1.366.00	41.342.34	42.708.34
10/ 1/1990	9.750	1.500.00	41.209.16	42.709.16
10/ 1/1991	9.750	1.646.00	41.062.91	42.708.91
10/ 1/1992	9.750	1.806.00	40.902.42	42.708.42
10/ 1/1993	9.750	1.982.00	40.726.34	42.708.34
10/ 1/1994	9.750	2.176.00	40.532.09	42.709.09
10/ 1/1995	9.750	2.388.00	40.320.93	42.708.93
10/ 1/1996	9.750	2.620.00	40.088.10	42.708.10
10/ 1/1997	9.750	2.876.00	39.832.65	42.708.65
10/ 1/1998	9.750	3.156.00	39.552.24	42.708.24
10/ 1/1999	9.750	3.464.00	39.244.53	42.708.53
10/ 1/2000	9.750	3.802.00	38.906.79	42.708.79
10/ 1/2001	9.750	4.173.00	38.536.10	42.709.10
10/ 1/2002	9.750	4.579.00	38.129.22	42.708.22
10/ 1/2003	9.750	5.028.00	37.682.78	42.708.78
10/ 1/2004	9.750	5.518.00	37.192.74	42.708.74
10/ 1/2005	9.750	6.054.00	36.654.93	42.709.93
10/ 1/2006	9.750	6.644.00	36.064.67	42.708.67
10/ 1/2007	9.750	7.292.00	35.416.88	42.708.88
10/ 1/2008	9.750	8.003.00	34.705.91	42.708.91
10/ 1/2009	9.750	8.783.00	33.925.61	42.709.61
10/ 1/2010	9.750	9.639.00	33.069.27	42.708.27
10/ 1/2011	9.750	10.579.00	32.125.47	42.708.47
10/ 1/2012	9.750	11.611.00	31.098.02	42.709.02
10/ 1/2013	9.750	12.743.00	29.965.94	42.708.94
10/ 1/2014	9.750	13.985.00	28.723.50	42.708.50
10/ 1/2015	9.750	15.349.00	27.359.96	42.708.96
10/ 1/2016	9.750	16.845.00	25.862.44	42.708.44
10/ 1/2017	9.750	18.487.00	24.221.05	42.708.05
10/ 1/2018	9.750	20.289.00	22.416.57	42.708.57
10/ 1/2019	9.750	22.268.00	20.446.29	42.708.29
10/ 1/2020	9.750	24.439.00	18.269.16	42.708.16
10/ 1/2021	9.750	26.822.00	15.886.36	42.709.36
10/ 1/2022	9.750	29.437.00	13.271.21	42.708.21
10/ 1/2023	9.750	32.297.00	10.401.11	42.708.11
10/ 1/2024	9.750	35.457.00	7.251.17	42.708.17
10/ 1/2025	9.750	38.914.00	3.794.12	42.708.12
		426,463.00	1,254,936.79	1,681,399.79

SMITH BARNEY, HARRIS UPHAM & CO. INCORPORATED
FILENAME: DEBT . 10-JUN-85.

Exhibit 1

RECEIVED

AUG 31 1985

RESOLUTION APPROVING SCHEDULE X

WATER DEVELOPMENT AUTHORITY

A Resolution approving Schedule X to the Loan Agreement, dated as of June 28, 1985, between East View Public Service District (PSD) and the West Virginia Water Development Authority.

WHEREAS, pursuant to a resolution adopted by the Board of the East View PSD (the "Governmental Agency") on March 29, 1985 (the "Loan Agreement Resolution"), the Governmental Agency entered into a loan agreement dated as of March 29, 1985 (the "Loan Agreement"), with the West Virginia Water Development Authority (the "Authority");

WHEREAS, Section 7.1 of the Loan Agreement required Schedule X to be attached to the Loan Agreement at the time of execution thereof by the Authority and to be approved by an official action of the Governmental Agency supplementing the Local Act, as defined by the Loan Agreement; and

WHEREAS, there has been delivered to the Board of the Governmental Agency the Loan Agreement executed by the Authority, with Schedule X attached thereto; and

WHEREAS, it is in the best interests of the Governmental Agency, and the inhabitants thereof, that said Schedule X be approved and that the Loan Agreement, with Schedule X attached thereto, be reaffirmed;

NOW, THEREFORE, BE IT RESOLVED BY THE Board OF East View Public Service District AS FOLLOWS:

1. Schedule X attached to the Loan Agreement executed and delivered to the Governmental Agency by the Authority is hereby approved.
2. The Loan Agreement, with Schedule X attached thereto, is hereby reaffirmed.
3. Adoption of the Loan Agreement Resolution is hereby ratified, approved and confirmed.
4. The Chairman of the Board of the Governmental Agency is hereby authorized and directed to submit to the Authority an executed original of this Resolution.
5. This Resolution shall take effect immediately upon its adoption.

Adopted this 28th day of June, 1985.

Dwight Smith
Chairman

Sam Almy
Secretary-Treasurer

ADDENDUM

Since the date of original execution of this Loan Agreement by the Governmental Agency, the Governmental Agency has requested, and the Authority has approved, a decrease in the amount of the Loan from \$426,403 to \$340,000. The amount of \$340,000 is therefore reflected in Schedule X and Exhibit 1, both attached hereto. *The Loan Agreement dated March 29, 1985 (the "Loan Agreement"), and all warranties, covenants, representations and other agreements set forth in the Loan Agreement are true, correct and complete as of the date of the Loan Agreement and are incorporated herein by reference as a part hereof, as though set forth ~~herein~~ verbatim in this Addendum, except as modified or altered by this Addendum.*

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed by their respective duly authorized officers as of the 13th day of June, 1986.

EAST VIEW PUBLIC SERVICE DISTRICT

[SEAL]

By *Robert D. Dodd*
Its Chairman

ATTEST:

By *Don Alf*
Its Secretary

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

[SEAL]

By *Edgar N. Dewry*
Its Director

ATTEST:

By *Daniel B. Yankov*
Its Secretary

06/11/86
EVSEW1-U

TABLE I

East View Public Service District
Analysis of 9.75% Borrowing Cost for Local Issuer

-----1985 Series A Bonds-----

Period Ending 10/1	Coupon	Principal	Interest	Debt Service
1986	9.75%	0.00	9,945.00	9,945.00
1987	9.75%	904.00	33,150.00	34,054.00
1988	9.75%	993.00	33,061.86	34,054.86
1989	9.75%	1,089.00	32,965.04	34,054.04
1990	9.75%	1,196.00	32,858.87	34,054.87
1991	9.75%	1,312.00	32,742.26	34,054.26
1992	9.75%	1,440.00	32,614.34	34,054.34
1993	9.75%	1,581.00	32,473.94	34,054.94
1994	9.75%	1,735.00	32,319.79	34,054.79
1995	9.75%	1,904.00	32,150.63	34,054.63
1996	9.75%	2,090.00	31,964.99	34,054.99
1997	9.75%	2,293.00	31,761.21	34,054.21
1998	9.75%	2,517.00	31,537.64	34,054.64
1999	9.75%	2,762.00	31,292.24	34,054.24
2000	9.75%	3,032.00	31,022.94	34,054.94
2001	9.75%	3,327.00	30,727.32	34,054.32
2002	9.75%	3,651.00	30,402.94	34,053.94
2003	9.75%	4,007.00	30,046.97	34,053.97
2004	9.75%	4,398.00	29,656.28	34,054.28
2005	9.75%	4,827.00	29,227.48	34,054.48
2006	9.75%	5,298.00	28,756.85	34,054.85
2007	9.75%	5,814.00	28,240.29	34,054.29
2008	9.75%	6,381.00	27,673.43	34,054.43
2009	9.75%	7,003.00	27,051.28	34,054.28
2010	9.75%	7,686.00	26,368.49	34,054.49
2011	9.75%	8,435.00	25,619.10	34,054.10
2012	9.75%	9,258.00	24,796.69	34,054.69
2013	9.75%	10,161.00	23,894.03	34,055.03
2014	9.75%	11,151.00	22,903.34	34,054.34
2015	9.75%	12,238.00	21,816.11	34,054.11
2016	9.75%	13,432.00	20,622.91	34,054.91
2017	9.75%	14,741.00	19,313.29	34,054.29
2018	9.75%	16,179.00	17,876.04	34,055.04
2019	9.75%	17,756.00	16,298.59	34,054.59
2020	9.75%	19,487.00	14,567.38	34,054.38
2021	9.75%	21,387.00	12,667.40	34,054.40
2022	9.75%	23,472.00	10,582.16	34,054.16
2023	9.75%	25,761.00	8,293.64	34,054.64
2024	9.75%	28,273.00	5,781.95	34,054.95
2025	9.75%	31,029.00	3,025.33	34,054.33
		340,000.00	998,070.04	1,338,070.04

Smith Barney, Harris Upham & Co.
Incorporated

June 10, 1986

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: May 15, 1984

CASE NO. 83-488-S-CN

EAST VIEW PUBLIC SERVICE DISTRICT

Application for a certificate of convenience and necessity to construct and operate a sanitary sewer system at East View, Harrison County.

FINAL ORDER

On September 29, 1983, East View Public Service District (District) filed an application with the Public Service Commission requesting a certificate of convenience and necessity to construct and operate a sanitary sewage collection system at the Town of East View in Harrison County, West Virginia. According to the application, the project consists of approximately 36,975 feet of 8-inch line, 242 manholes and 415 service connections. The District proposes to charge a flat rate of \$19.75 per month for all customers and estimates the proposed construction cost to be \$1,992,300. The District proposes to finance the new construction through an EPA Grant of \$1,321,860, a West Virginia Water Development Authority Grant in the amount of \$369,240 and a Water Development Authority Bond Issue in the amount of \$367,200, with net proceeds of \$301,200.

By letter dated September 30, 1983, the Executive Secretary of the Public Service Commission acknowledged the receipt of the application, requested the filing of a Rule 42 Exhibit and the required engineering plans and specifications, and additionally, informed the District of the

requirements of West Virginia Code §24-2-11 and §16-13A-25, regarding notice to the public of its intention to issue bonds to partially finance the project. On October 5, 1983, the District submitted eight (8) copies each of its final engineering report and the required Rule 42 Exhibit.

On November 3, 1983, the Commission's Engineering Division recommended approval of the application, without formal hearing, subject to the conditions that the District provide evidence that it has complied with West Virginia Code §16-13A-25, that no substantial protest is received and that the Finance and Special Studies Division approve the proposed rates.

On January 20, 1984, the District submitted proof of compliance with the publication and posting requirements of West Virginia Code §16-13A-25, as well as proof that petitions were made available for protestants to sign to indicate opposition to the proposed bond issuance, again pursuant to the requirements of West Virginia Code §16-13A-25. The publisher's certificate submitted by the District indicates that publication was made in The Clarksburg Telegram, once a week for two (2) successive, on November 7 and 14, 1983.

On March 2, 1984, the Commission's Finance and Special Studies Division recommended approval of the application for a certificate of convenience and necessity, pending modification of an agreement between East View Public Service District, the City of Clarksburg and the Town of Anmoore, regarding the method of billing for sewage transportation and treatment.

On March 26, 1984, the District submitted an amended agreement, dated March 19, 1984, superseding the prior agreement entered into between the East View Public Service District, the City of Clarksburg and the Town of

Amooore, which amended agreement purported to address all objections made by Commission Staff to the prior agreement.

By memorandum filed March 27, 1984, the Legal Division indicated that the agreement, as amended, should be approved, in that it properly addresses the concerns previously raised by Commission Staff. Also on March 27, 1984, the Legal Division filed a copy of a letter submitted to the project coordinator for East View Public Service District by the Staff Attorney indicating that the Legal Division had recommended that a certificate be granted without hearing, subject to the recommendation of the Finance and Special Studies Division on the proposed financing.

On May 11, 1984, the Finance and Special Studies Division submitted its final recommendation in this case, recommending that the proposed financing be approved on both an interim and permanent basis and requesting that the District keep the Commission informed of any changes made to the projections regarding financing and earnings prior to the issuance of Grant Anticipation Notes and Bond Anticipation Notes. The memorandum from the Finance and Special Studies Division indicated that the project cost had been reduced by \$311,947, to \$1,680,353, as a result of the receipt of favorable bids for the project and the District's decision to acquire interim financing in the form of Bond Anticipation Notes and Grant Anticipation Notes. As a result, the project financing was revised to permit interim financing through Grant Anticipation Notes in an issue size of \$865,000 and Bond Anticipation Notes in an issue size of \$440,000, and to permit permanent financing in the following amounts: an Environmental Protection Agency Grant in the amount of \$1,119,902, a Water Development Authority Grant in the amount of \$306,354 and a Water Development Authority

Bond Issue (net proceeds) in the amount of \$368,277. According to the Finance and Special Studies Division, the earnings on the Bond Anticipation Notes will cover all costs of issuance and interest except for a projected amount of \$71,723, which would be offset by the projected surplus of \$98,495. The Finance and Special Studies Division notes that the revised financing would not change the previously proposed rate of \$19.75 per month, per customer.

Upon consideration whereof, the Hearing Examiner is of the opinion that the application filed by East View Public Service District for a certificate of convenience and necessity to construct and operate a sanitary sewage system in Harrison County should be approved, as amended to reflect the project cost and project financing set forth in the memorandum dated May 11, 1984, from the Commission's Finance and Special Studies Division. All divisions of the Public Service Commission have had an opportunity to review this filing and, as noted, all divisions have recommended approval of the filing, without hearing. Additionally, a review of the documents filed in this proceeding indicates that the District has fully complied with all requirements of West Virginia Code §§24-2-11 and 16-13A-25. Finally, following publication of the application and proposed bond issuance, as required by the above-mentioned statutes, only one letter of protest was filed in this proceeding. Therefore, it appears that the project is reasonable, that the proposed financing is sufficient to cover all construction costs and cost of financing, that the project is in the public interest and that the public is in support of the project.

ORDER

IT IS, THEREFORE, ORDERED that the application for a certificate of convenience and necessity to construct and operate a sanitary sewage system filed by East View Public Service District on September 29, 1983, be, and it hereby is, approved, pursuant to the revised project costs and financing arrangements set forth in the memorandum dated May 11, 1984, from the Commission's Division of Finance and Special Studies.

IT IS FURTHER ORDERED that the proposed rates of \$19.75 per month, per customer be, and they hereby are, approved for use by the District for all service rendered from and after the date that sewer service is made available to the customers of East View Public Service District.

IT IS FURTHER ORDERED that the Executive Secretary serve a copy of this order upon all parties to this proceeding by United States First Class Mail.

This order is issued pursuant to General Order No. 212, dated December 16, 1982, which order designates the Division of Hearing Examiners as the initial decision making body in the Public Service Commission and authorizes the Public Service Commission Hearing Examiners to issue orders on behalf of the Commission in all proceedings filed pursuant to Chapter 24 of the West Virginia Code, which proceedings are not set for hearing and which orders shall have the full force and effect of Commission orders, without the provision for the filing of exceptions thereto.

Leave is hereby granted to the parties to file a petition for further hearing, reopening, or rehearing pursuant to Rule 19 of the Commission's

Rules of Practice and Procedure with the Executive Secretary of the Commission within ten (10) days after the date this order is mailed.



Melissa K. Marland
Hearing Examiner

EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1986

CROSS-RECEIPT FOR BOND AND BOND PROCEEDS

The undersigned, DANIEL B. YONKOSKY, Secretary-Treasurer of West Virginia Water Development Authority, for and on behalf of West Virginia Water Development Authority (the "Authority") and Ralph D. Dodd, Chairman of the Public Service Board of East View Public Service District (the "Governmental Agency"), hereby certify as follows:

1. On the 13th day of June, 1986, the Authority received the entire original issue of \$340,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1986 (the Governmental Agency Bonds"), issued as a single Bond numbered R-1 dated June 13, 1986.

2. At the time of such receipt of the Governmental Agency Bonds upon original issuance, all of the Governmental Agency Bonds had been executed by Ralph D. Dodd, as Chairman of the Public Service Board of the Governmental Agency, by his manual signature, and by Sam Aley, as Secretary of the Public Service Board of the Governmental Agency, by his manual signature, and the official seal of the Governmental Agency had been affixed upon the Governmental Agency Bonds.

3. The Governmental Agency has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Governmental Agency Bonds, of the proceeds of the Bonds in the amount of \$340,000 (100% of par), there being no interest accrued thereon.

IN WITNESS WHEREOF, DANIEL B. YONKOSKY duly signed and delivered this receipt on behalf of WEST VIRGINIA WATER DEVELOPMENT AUTHORITY and EAST VIEW PUBLIC SERVICE DISTRICT has caused this receipt to be executed by its Chairman, as of this 13th day of June, 1986.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By *Daniel B. Yonkosky*
Its Secretary-Treasurer

EAST VIEW PUBLIC SERVICE DISTRICT

By *Ralph D. Dadd*
Chairman

06/11/86
EVSEW1-D

EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1986

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

Kanawha Valley Bank, N.A.
Charleston,
West Virginia

Ladies and Gentlemen:

There are delivered to you herewith:

(1) Bond No. R-1, constituting the entire original issue of East View Public Service District Sewer Revenue Bonds, Series 1986, dated June 13, 1986, in the principal amount of \$340,00 (the "Governmental Agency Bonds") executed by the Chairman and Secretary of the Public Service Board of East View Public Service District (the "Governmental Agency") and bearing the official seal of the Governmental Agency, authorized to be issued under and pursuant to a Bond Resolution and Supplemental Bond Resolution duly adopted by the Governmental Agency (collectively, the "Local Act");

(2) A copy of the Local Act authorizing the above Governmental Agency Bond issue, duly certified by the Secretary of the Governmental Agency;

(3) An executed counterpart of the loan agreement dated June 13, 1986, by and between the West Virginia Water Development Authority (the "Authority") and the Governmental Agency (the "Loan Agreement");

(4) A signed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and Governmental Agency Bonds.

You are hereby requested and authorized to deliver the Governmental Agency Bonds to the Authority upon payment to the account of the Governmental Agency of the sum of \$340,000, representing the agreed purchase price of the Bonds, there being no accrued interest thereon. Prior to such delivery of the Governmental Agency Bonds, you will please cause the Governmental

6

Agency Bonds to be authenticated by an authorized officer, as Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated this 13th day of June, 1986.

EAST VIEW PUBLIC SERVICE DISTRICT

By

Ralph D. Dodd

Chairman

06/10/86

EVSEW1-E

(SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
EAST VIEW PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 1986

No. R-1

\$340,000

KNOW ALL MEN BY THESE PRESENTS: That EAST VIEW PUBLIC SERVICE DISTRICT, a public corporation 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of THREE HUNDRED FORTY THOUSAND DOLLARS (\$340,000), in installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest rate on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, and such interest shall be payable on April 1 and October 1 in each year, beginning October 1, 1986. 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 Kanawha Valley Bank, N.A., Charleston, West Virginia, as registrar (the "Registrar") on the 15th day of the month preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the registered owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with the Loan Agreement between the Issuer and the Authority dated June 13, 1986.

This Bond is issued (i) to refund and pay a portion of the Sewerage System Bond Anticipation Notes, Series 1984, of the Issuer

(the "Notes") issue to finance part of the costs of acquisition and construction of certain new collection and transportation facilities of the Issuer (the "Project") pending issuance of this Bond; and (ii) to pay certain costs of issuance hereof and related costs. This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution and Supplemental Resolution, both duly adopted by the Issuer on the 11th day of June, 1986 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Reserve Account and unexpended Bond proceeds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to pay the maximum amount due in any fiscal year of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Bonds, provided however, that so long as there exists in the Reserve Account an amount at least equal to the maximum amount of principal and interest which will come due on the Bonds in any fiscal year, and the reserve account established for any other obligations outstanding prior to or 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 Bond Registrar duly executed by the registered owner or its attorney duly authorized in writing.

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the payment of the Notes, 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 in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

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

IN WITNESS WHEREOF, EAST VIEW PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed hereon and attested by its Secretary, and has caused this Bond to be dated June 13, 1986.

[SEAL]

Chairman

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above.

Date: _____

KANAWHA VALLEY BANK, N.A.,
as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

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:

06/11/86
EVSEW1-S

STEPTOE & JOHNSON

ATTORNEYS AT LAW

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June 13, 1986

CHARLESTON

CHARLES W. YEAGER

CARL F. STUCKY, JR.

OTIS L. O'CONNOR

WAYNE A. SINCLAIR

JAMES R. WATSON

DANIEL R. SCHUDA

SPRAGUE W. HAZARD

HERSCHEL H. ROSE III

CHRISTOPHER P. BASTIEN

STEVEN P. MCGOWAN

OF COUNSEL

ROBERT W. LAWSON, JR.

EDWARD W. EARDLEY

EUGENE G. EASON

WILLIS O. SHAY

WRITER'S DIRECT DIAL NUMBER

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C. DAVID MORRISON
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GORDON H. COPLAND
RANDALL C. LIGHT
RICHARD M. YURKO, JR.
GARY W. NICKERSON
W. RANDOLPH FIFE

East View Public Service District
Sewer Revenue Bonds, Series 1986

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25064

Gentlemen:

We are bond counsel to East View Public Service District (the "Governmental Agency"), a public service district and a public corporation and political subdivision created and existing under Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended (the "Local Statute").

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of a loan agreement, dated June 13, 1986 (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated June 13, 1986 (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are in the principal amount of \$340,000, originally issued in the form of one bond, registered as to principal and interest to the Authority, with interest payable April 1 and October 1 of each year, beginning October 1, 1986, at the rate of 9.75% per annum, and with principal installments payable on October 1 in each of the years 1987 through 2025, inclusive, all as set forth in "Schedule X," attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, the Local Statute, for the purposes of (i) refunding a portion of the Sewerage System Bond Anticipation Notes, Series 1984, of the Governmental Agency (the "Notes") issued to temporarily finance part of the

costs of acquisition and construction of new sewage collection and transportation facilities (the "Project") pending issuance of the Local Bonds and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of the Local Statute, under which the Local Bonds are issued, and the Loan Agreement that has been undertaken, including all schedules and exhibits to the Loan Agreement. The Local Bonds have been authorized by a bond resolution and a supplemental resolution (collectively, the "Local Act") duly adopted by the Governmental Agency, which contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

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

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

3. The Governmental Agency is a duly organized and presently existing public service district and political subdivision of the State of West Virginia, with full power and authority to construct and acquire the Project and to operate and maintain the System referred to in the Loan Agreement and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Governmental Agency has legally and effectively adopted the Local Act and all other necessary resolutions in connection with the issuance and sale of the Local Bonds.

5. The Local Bonds are valid and legally enforceable special obligations of the Governmental Agency, payable from the net revenues of the System referred to in the Local Act and secured by a first lien on and pledge of the net revenues of said System, all in accordance with the terms of the Local Bonds and the Local Act, and the Local Bonds have been duly issued and delivered to the Authority.

6. The Issuer has issued its Sewerage System Grant Anticipation Notes, Series 1986 (the "1986 GAN"), dated June 13, 1986, simultaneously

herewith. The 1986 GAN are payable from, among other things, the net revenues of the System, but such pledge shall be junior and subordinate to the lien on and pledge of the net revenues of the System securing the Local Bonds, and the 1986 GAN are payable from the net revenues of the System only after there has been paid, each month, all payments required with respect to the Local Bonds, including principal, interest and payments to the Reserve Account and Renewal and Replacement Fund. The Issuer has heretofore issued its Sewerage System Grant Anticipation Notes, Series 1984 (the "1984 GAN"), dated June 15, 1984. The principal, redemption premium, if any, and interest on the 1984 GAN are payable solely from certain grant receipts, certain moneys held in funds and accounts established in connection with the 1984 GAN, the net proceeds a draw under a letter of credit obtained in connection with the 1984 GAN and the net proceeds of certain refunding grant anticipation notes or other obligations issued to pay all or a portion of the 1984 GAN, and the 1984 GAN are not payable from the net revenues of the System.

7. The Governmental Agency has reserved the right to issue additional bonds ranking on a parity with the Local Bonds, as provided in the Local Act.

8. The Local Bonds are, under the Local Statute, exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and interest on the Local Bonds is exempt from personal income taxes imposed directly thereon by the State of West Virginia. Under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is exempt from federal income taxation.

We have reviewed the provisions of H.R. 3838, the "Tax Reform Act of 1985," as adopted by the United States House of Representatives on December 17, 1985, and a joint statement issued by the chairmen and ranking minority members of the Ways and Means Committee of the United States House of Representatives and the Finance Committee of the United States Senate, together with the Secretary of the United States Treasury Department, endorsing the postponement of the effective date of certain provisions of H.R. 3838. It is our opinion that the Local Bonds are of the type entitled to such effective date postponement and that, based upon such joint statement, except as set forth below, none of the provisions of H.R. 3838 which may be applicable to the Local Bonds are in effect as of the date hereof, nor will any of such provisions be retroactively applied, and therefore interest on the Local Bonds would be exempt from federal income taxation under H.R. 3838 as adopted by the United States House of Representatives with effective dates modified in accordance with the joint statement referred to above.

Please be advised that under H.R. 3838, the interest on the Local Bonds may, with respect to property and casualty insurance companies, be subject to an alternative minimum tax during taxable years beginning after 1987.

West Virginia Water Development Authority
Page 4

Please be further advised that the rights of the holders of the Local Bonds and the enforceability of the Local Bonds, the Local Act and the Loan Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights (to the extent constitutionally applicable) and that the enforcement thereof may also be subject to the exercise of judicial discretion in appropriate cases.

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

Very truly yours,

A handwritten signature in cursive script, appearing to read "Steptoe & Johnson".

STEPTOE & JOHNSON

06/13/86
EVSEW1-F

STEPTOE & JOHNSON

ATTORNEYS AT LAW

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June 13, 1986

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GARY W. NICKERSON
W. RANDOLPH FIFE

East View Public Service District Sewer Revenue Bonds, Series 1986

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25064

Gentlemen:

We have examined a transcript of proceedings relating to the issuance of \$340,000 aggregate principal amount of Sewer Revenue Bonds, Series 1986 (the "Governmental Agency Bonds") of East View Public Service District (the "Governmental Agency"), and a Certificate as to Arbitrage executed by the Chairman of the Public Service Board of the Governmental Agency on this date.

We are of the opinion that the facts, estimates and circumstances set forth in the Certificate as to Arbitrage are sufficient to satisfy the requirements of Section 103(c) of the Internal Revenue Code of 1954, as amended, and Treasury Regulations promulgated thereunder, particularly Sections 1.103-13, 1.103-14 and 1.103-15, to support the conclusion that the Governmental Agency Bonds are not "arbitrage bonds" as therein defined. No matters have come to our attention which make unreasonable or incorrect the representations made in said Certificate.

Accordingly, it is our opinion that, under existing statutes, regulations, rulings and court decisions, the Governmental Agency Bonds are not "arbitrage bonds" as so defined.

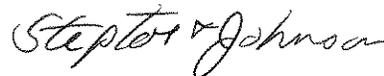
We have reviewed the provisions of H.R. 3838, the "Tax Reform Act of 1985," as adopted by the United States House of Representatives on December 17, 1985, and a joint statement issued by the chairmen and ranking minority members of the Ways and Means Committee of the United States House of

9

Representatives and the Finance Committee of the United States Senate, together with the Secretary of the United States Treasury Department, endorsing the postponement of the effective date of certain provisions of H.R. 3838. It is our opinion that the Local Bonds are of the type entitled to such effective date postponement and that, based upon such joint statement, except as set forth below, none of the provisions of H.R. 3838 which may be applicable to the Local Bonds are in effect as of the date hereof, nor will any of such provisions be retroactively applied, and therefore interest on the Local Bonds would be exempt from federal income taxation under H.R. 3838 as adopted by the United States House of Representatives with effective dates modified in accordance with the joint statement referred to above.

Please be advised that under H.R. 3838, the interest on the Local Bonds may, with respect to property and casualty insurance companies, be subject to an alternative minimum tax during taxable years beginning after 1987.

Very truly yours,



STEPTOE & JOHNSON

06/10/86
EVSEW1-G

LAW OFFICES OF
YOUNG, MORGAN & CANN

SUITE ONE

SCHROATH BUILDING

CLARKSBURG, WEST VIRGINIA 26301

(304) 624-5687

JAMES CANN (1970)
LLOYD H. YOUNG (1978)

ROGER J. MORGAN
CARMINE J. CANN

JAMES V. CANN

June 13, 1986

East View Public Service District
Sewer Revenue Bonds, Series 1986

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25064

Steptoe & Johnson
Union National Center East, 6th Floor
Post Office Box 2190
Clarksburg, West Virginia 26302-2190

Gentlemen:

We are counsel to East View Public Service District, in Harrison County, West Virginia (the "Governmental Agency"). As such counsel, we have examined copies of the approving opinion of Steptoe & Johnson, as bond counsel, a Loan Agreement dated June 13, 1986, by and between the West Virginia Water Development Authority (the "Authority") and the Governmental Agency (the "Loan Agreement"), the Local Act (as defined therein) and other documents relating to the above-captioned Bonds (the "Bonds") of the Governmental Agency. Terms used in said opinion, Local Act and Loan Agreement and not otherwise defined herein have the same meanings herein.

We are of the opinion that:

1. The Loan Agreement has been duly authorized, executed and delivered by the Governmental Agency and, assuming due authorization, execution and delivery by the Authority, constitutes the valid and binding agreement of the Governmental Agency in accordance with its terms.

2. The members of the Public Service Board of the Governmental Agency have been duly and properly appointed, have taken the requisite oaths and are authorized to act on behalf of the Governmental Agency.

3. The Local Act has been duly adopted by the Governmental Agency and is in full force and effect.

4. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the

YOUNG, MORGAN & CANN

West Virginia Water Development
Authority, et al.
Page 2
June 13, 1986

Loan Agreement, 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 Governmental Agency a breach of or default under any agreement or other instrument to which the Governmental Agency is a party or any existing law, regulation, court order or consent decree to which the Governmental Agency is subject.

5. The Governmental Agency has received all the permits, licenses, approvals and authorizations necessary for the issuance of the Bonds, the construction of the Project and imposition of rates and charges, and has taken any other action required for the imposition of such rates and charges, including, without limitation, adoption of a resolution setting such rates and charges and the obtaining of all requisite orders and approvals from the Public Service Commission of West Virginia.

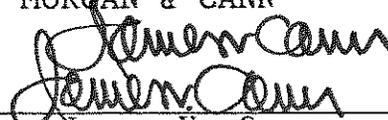
6. To the best of our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein any unfavorable decision, ruling or fining would adversely affect the transactions contemplated by the Loan Agreement or the validity of the Bonds or the collection or pledge of the Net Revenues.

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

Very truly yours,

YOUNG, MORGAN & CANN

By


James V. Cann

JVC:pjp

EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1986

GENERAL CERTIFICATE OF GOVERNMENTAL AGENCY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. GRANTS
11. LOAN AGREEMENT
12. RATES
13. SIGNATURES AND DELIVERY
14. GOVERNMENTAL AGENCY BONDS PROCEEDS
15. PUBLICATION AND POSTING OF NOTICE OF BORROWING AND PETITION
16. SPECIMEN GOVERNMENTAL AGENCY BONDS

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of East View Public Service District in Harrison County, West Virginia (the "Governmental Agency"), and the undersigned ATTORNEY for the Governmental Agency, hereby certify in connection with the \$340,000 aggregate principal amount East View Public Service District Sewer Revenue Bonds, Series 1986 (the "Governmental Agency Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined shall have the same meaning as in the Bond Resolution of the Governmental Agency adopted June 11, 1986, and a Supplemental Bond Resolution adopted concurrently therewith (collectively, the "Local Act").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Governmental Agency Bonds, receipt of the Grant Receipts, or in any way contesting or affecting the validity of the Governmental Agency Bonds or the Grants or any proceedings of the Governmental Agency taken with respect to the issuance or sale of the Governmental

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Agency Bonds, the pledge or application of any moneys or security provided for the payment of the Governmental Agency Bonds or the existence or the powers of the Governmental Agency insofar as they relate to the authorization, sale and issuance of the Governmental Agency Bonds, receipt of the Grant Receipts or such pledge or application of moneys and security or the collection or pledge of the Net Revenues.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals and certificates required by law for construction of the Project, operation of the System and issuance of the Governmental Agency Bonds have been or can be duly and timely obtained and remain in full force and effect, and competitive bids for construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the Official West Virginia Code of 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Governmental Agency since March 29, 1985, the date of the approval and execution and delivery by the Governmental Agency of the initial Loan Agreement. There are no outstanding debt obligations of the Governmental Agency, or obligations for which full and irrevocable provision for payment has not been made, which are secured by revenues or assets of the System, except the Sewerage System Refunding Notes, Series 1986, dated June 13, 1986, in the aggregate principal amount of \$100,000, which are secured by and payable in part from the Net Revenues, but junior and subordinate to the lien and pledge thereon in favor of the holders of the Governmental Agency Bonds.

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

Order of County Commission creating Public Service District.

Orders of County Commission appointing current members to Public Service Board.

Certified copies of oaths of office of current members of Public Service Board.

Rules of Procedure of Public Service Board.

Affidavit of Publication of Notice of
Borrowing and Petition Form.

Bond Resolution.

Supplemental Bond Resolution

Minutes on 1986 Organizational Meeting and
Adoption of Bond Resolution and Supplemental
Bond Resolution.

Loan Agreement.

EPA Grant Agreement, as amended.

WDA Grant Agreement.

Public Service Commission Final Order
entered May 15, 1984.

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Governmental Agency is "East View Public Service District" and it is a public service district duly created by The County Commission of Harrison County and presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Governmental Agency is its Public Service Board consisting of 3 members whose names and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>	<u>Date of Commencement of Office</u>	<u>Date of Termination of Office</u>
Ralph D. Dodd	April, 1986	December, 1987
Sam Aley	February, 1984	December, 1989
Frank Guzzi	December, 1986	December, 1991

The names of the duly elected, qualified and acting members of the Public Service Board of the Governmental Agency for the calendar year 1986 are as follows:

Chairman	-	Ralph D. Dodd
Secretary	-	Sam Aley
Treasurer	-	Frank Guzzi

The duly appointed and acting Attorney for the Governmental Agency is James V. Cann, of Clarksburg, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the construction of the Project and operation and maintenance of the System have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Governmental Agency and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which may have to be acquired by condemnation are, in the opinion of all the undersigned, within the ability of the Governmental Agency to pay for the same without jeopardizing the security of or payments on the Governmental Agency Bonds.

8. MEETINGS, ETC.: All actions, resolutions, orders and agreements taken by and entered into by or on behalf of the Governmental Agency in any way connected with the construction, acquisition, operation and financing of the Project or the System were authorized or adopted at regular or special meetings of the Governing Body of the Governmental Agency duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body 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 Governing Body was present and acting at all times during all such meetings.

9. CONTRACTORS' INSURANCE, ETC.: All contractors will be required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Local Act.

10. GRANTS: As of the date hereof, the EPA has committed to the Governmental Agency the approximate amount of \$1,202,723. Said commitment of EPA is as of this date is still in force and effect. The Other Grants are committed to the Issuer and as of this date remain in force and effect.

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

12. RATES: The Governmental Agency has received an Order of the Public Service Commission of West Virginia entered May 15, 1984, granting a certificate of convenience and necessity for acquisition and construction of the Project and approving rates and charges for the services of the System, and has adopted a resolution prescribing such rates and charges.

13. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Governmental Agency Bonds of the aforesaid issue, all dated June 13, 1986, by his manual signature, and the undersigned Secretary did officially cause the official seal of the Governmental Agency to be imprinted upon each of said Governmental Agency Bonds and to be attested by his manual signature, and the Registrar did officially authenticate and deliver the Governmental Agency Bonds to a representative of the Authority as the original purchaser of the Governmental Agency Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

14. GOVERNMENTAL AGENCY BONDS PROCEEDS: On the date hereof the Governmental Agency received from the Authority the agreed purchase price of the Governmental Agency Bonds, being \$340,000 (100% of par value), there being no interest accrued on the Governmental Agency Bonds.

15. PUBLICATION AND POSTING OF NOTICE OF BORROWING AND PETITION: The Governmental Agency has published and posted a notice with respect to the acquisition and construction of the Project and issuance of the Governmental Agency Bonds and has provided a petition form permitting registered voters who may be opposed to such acquisition and construction or borrowing to sign such petition, in accordance with Chapter 16, Article 13A, Section 25 of the Official West Virginia Code of 1931, as amended. Less than 50% of the registered voters in the area to be served by the Project have signed such petition.

16. SPECIMEN GOVERNMENTAL AGENCY BONDS: Delivered concurrently herewith are true and accurate specimens of the Governmental Agency Bonds.

WITNESS our signatures and the official seal of EAST VIEW
PUBLIC SERVICE DISTRICT on this 13th day of June, 1986.

[CORPORATE SEAL]

<u>SIGNATURE</u>	<u>OFFICIAL TITLE</u>
<u>Ralph P. Dadd</u>	Chairman
<u>Larry Ahy</u>	Secretary
<u>Jameson Com</u>	Attorney for Governmental Agency

06/11/86
EVSEW1-I

EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1986

CERTIFICATE AS TO ARBITRAGE

I, Ralph D. Dodd, Chairman of the Public Service Board of East View Public Service District, in Harrison County, West Virginia (the "Governmental Agency"), being one of the officials of the Governmental Agency duly charged with the responsibility for the issuance of \$340,000 aggregate principal amount of Sewer Revenue Bonds, Series 1986, of the Governmental Agency, dated June 13, 1986 (the "Governmental Agency Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Sections 1.103-13, 1.103-14 and 1.103-15 of the Income Tax Regulations (the "Regulations") promulgated under Section 103(c) of the Internal Revenue Code of 1954, as amended ("Section 103(c)"). I am one of the officers of the Governmental Agency charged with the responsibility of issuing the Governmental Agency Bonds. I am familiar with the facts, circumstances, and estimates herein certified and am duly authorized to execute and deliver this certificate on behalf of the Governmental Agency.

2. This certificate may be relied upon as the certificate of the Governmental Agency.

3. The Governmental Agency has not been notified by the Internal Revenue Service of any listing or proposed listing of it as an issuer the certification of which may not be relied upon by holders of obligations of the Governmental Agency or that there is any disqualification of the Governmental Agency by the Internal Revenue Service because a certification made by the Governmental Agency contains a material misrepresentation.

4. This certificate is based upon facts, circumstances, estimates and expectations of the Governmental Agency in existence on June 13, 1986, the date on which the Governmental Agency Bonds are to be physically delivered in exchange for the issue price thereof and to the best of my knowledge and belief, the expectations of the Governmental Agency set forth herein are reasonable.

5. In the Local Act pursuant to which the Governmental Agency Bonds are issued, the Governmental Agency has covenanted to make no use of the proceeds of the Governmental Agency Bonds which

would cause the Governmental Agency Bonds to be "arbitrage bonds" within the meaning of the Regulations or Section 103(c).

6. The Governmental Agency Bonds were sold on June 13, 1986, to the West Virginia Water Development Authority (the "Authority") for a purchase price of \$340,000 (100% of par).

7. The Governmental Agency Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) refunding a portion of the Sewerage System Bond Anticipation Notes, Series 1984, of the Governmental Agency (the "Notes") issued to temporarily finance part of the costs of acquisition and construction of certain new sanitary sewage facilities (the "Project"). The remainder of such costs are expected to be paid from a grants from the United States Environmental Protection Agency ("EPA") in the amount of \$1,202,723 and other grants.

8. The Governmental Agency has, prior to delivery of the Governmental Agency Bonds, entered into agreements which require the Governmental Agency to expend in excess of \$100,000 on the Project. The Governmental Agency expects that acquisition, construction and equipping of the Project will proceed with due diligence to completion, and that all of the proceeds from the sale of the Governmental Agency Bonds will be spent on or before June 15, 1986.

9. The total cost of the Project is estimated at \$1,849,077. The amount of Project costs not expected to be reimbursed or paid from the EPA grant or other grants is estimated to be at least \$340,000. Except for the proceeds of the grants described in paragraph 7 above, no other funds of the Governmental Agency will be available to meet costs of the Project, and no balances are available to meet such costs in any account which may, without legislative or judicial action, be invaded to pay such expenditures without a legislative, judicial or contractual requirement that such account be reimbursed.

10. Pursuant to Article V of the Local Act, the following special funds or accounts have been created:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Bond Construction Trust Fund;
- (4) Sinking Fund, and within the Sinking Fund, the Reserve Account; and

11. Pursuant to Article VI of the Local Act the proceeds of the Governmental Agency Bonds will be deposited as follows:

(1) From proceeds of the Governmental Agency Bonds the sum of \$340,000 shall be deposited in the BAN Debt Service Fund established by the Indenture pursuant to which the Notes were issued, and applied to payment of the Notes.

(2) The balance of the proceeds of the Governmental Agency Bonds, if any, will be deposited in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project, including issuance and related costs.

12. All moneys in the Sinking Fund (including any income earned thereon) will be used solely to pay principal of and interest on the Governmental Agency Bonds and will not be available to meet costs of construction of the Project.

13. Except for the Sinking Fund (including the Reserve Account established therein), there are no other funds or accounts established or held by the Governmental Agency which are reasonably expected to be used to pay debt service on the Governmental Agency Bonds or which are pledged as collateral for the Governmental Agency Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Governmental Agency Bonds, if the Governmental Agency encounters financial difficulties.

The net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, will be sufficient to pay the costs of acquisition and construction of the Project as set forth in the application submitted to WDA on the date of the Loan Agreement.

14. The Governmental Agency expects that no part of the Project financed by the Bonds will be sold prior to the last maturity date of the Governmental Agency Bonds.

15. At least 85% of the spendable proceeds of the Governmental Agency Bonds will be expended on the Project within 24 months from the date of issuance thereof.

16. Any money deposited in a sinking fund for payment of the principal of or interest on the Governmental Agency Bonds (other than the Reserve Account) will be spent within a 13-month period beginning on the date of receipt.

17. The original proceeds of the Governmental Agency Bonds will not exceed the amount necessary for the purposes of the issue.

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

IN WITNESS WHEREOF, I have set my hand this 13th day of June, 1986.



Chairman

06/11/86
EVSEW1-J

EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1986

ENGINEER'S CERTIFICATE

I, D. E. Cerrone, Registered Professional Engineer, West Virginia License No. 3952 of Cerrone & Vaughn, Inc., Consulting Engineers, Wheeling, West Virginia, hereby certify as follows:

1. My firm is engineer for the construction and acquisition of certain public service properties for the collection and transportation of sewage and industrial wastes (the "Project") for East View Public Service District in Harrison County, West Virginia (the "Governmental Agency"). Certain costs of such construction and acquisition are being permanently financed in part by proceeds of the above-captioned bonds (the "Governmental Agency Bonds") and out of certain grant proceeds from the United States Environmental Protection Agency ("EPA") and others.

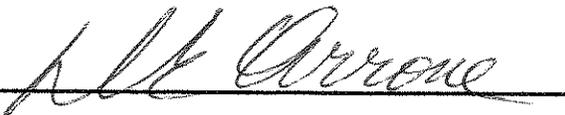
2. The undersigned hereby certifies that (i) the Project has been and will be constructed in accordance with the approved plans, specifications and designs prepared by my firm, as described in the Application submitted to the West Virginia Water Development Authority (the "Application") and approved by all necessary governmental bodies and is situate wholly or chiefly within the boundaries of East View Public Service District; (ii) the Project is adequate for the purpose for which it was designed; and (iii) my firm has examined and reviewed all plans, specifications, bid documents and construction contracts relating to the Project and all bids for construction of the Project have been received in an amount and otherwise compatible with the plan of financing described in the Application and has ascertained that all contractors have made required provisions for all insurance and payment and performance bonds and has verified such insurance policies or binders and such bonds for accuracy and completeness; (iv) the Governmental Agency has obtained all permits required by the laws of the State of West Virginia and the United States of America necessary for construction of the Project, including permits from the EPA and the West Virginia Department of Natural Resources; (v) the construction and funding for the Project should proceed to a successful conclusion within the time schedules proposed; (vi) the useful life of the facilities constituting the Project is not less than 40 years; (vii) the rates and charges for the sewerage system of the

Governmental Agency comply with the applicable provisions of the Loan Agreement [including subsection 4.1(b)(iii) thereof] by and between West Virginia Water Development Authority and the Governmental Agency; and (viii) the net proceeds of the Governmental Agency Bonds, together with all moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, are sufficient to pay in full the Notes at or prior to the maturity thereof and the remaining costs of acquisition and construction of the Project as set forth in the Application.

WITNESS my signature on this 13th day of June, 1986.

CERRONE & VAUGHN, INC.

By

A handwritten signature in cursive script, appearing to read "J. H. Cerrone", is written over a horizontal line.

06/10/86
EVSEW1-K

TERRING M. WEAVER
CERTIFIED PUBLIC ACCOUNTANT
P. O. Box 2077
CLARKSBURG, WEST VIRGINIA 26301
304/623-6591

June 13, 1986

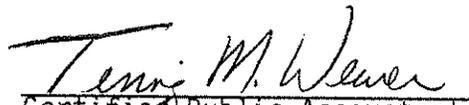
East View Public Service District
Sewer Revenue Bonds,
Series 1986

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25065

Gentlemen:

Based upon the rates and charges as approved by the Public Service Commission of West Virginia in Case No. 83-488-S-CN and projected operation and maintenance expenses as furnished to me by Cerrone & Vaughn, Inc., and based upon the projected revenues furnished to me by the District, it is my opinion that such schedule of rates and charges will be sufficient to provide revenues which, together with other revenues of the District, will pay all operation and maintenance expenses and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the captioned bonds to be issued to Water Development Authority and all obligations of the District secured by or payable from the revenues of the project prior to or on parity with such bonds.

Very truly yours,


Certified Public Accountant

East View Public Service District

Upon petition

COUNTY COMMISSION OF HARRISON COUNTY, WEST VIRGINIA

IN RE: ORDER FIXING A DATE FOR HEARING ON THE
CREATION OF EAST VIEW PUBLIC SERVICE DISTRICT

The County Commission of Harrison County, Daniel L. McCarthy and James E. Boyce, a majority of the members, being present and voting in favor, does hereby adopt the following order on its own motion upon good cause being shown therefor:

BE IT RESOLVED AND ORDERED, that on the 4th day of November, 1975, pursuant to West Virginia Code, Chapter 16, Article 13A, as amended, the County Commission of Harrison County does hereby propose the creation of "EAST VIEW PUBLIC SERVICE DISTRICT" to include the following described territory:

1. The territory to be embraced in said public service district shall be that embraced within the following boundaries:

Situated in Clark Magisterial District, Harrison County, West Virginia, located generally in the watershed area of Ammoore Run, between Town of Ammoore and City of Clarksburg, and more specifically described as follows:

BEGINNING at a point (#1) where the most westerly Corporation limit of Ammoore crosses W. Va. S. H. 23; thence with the Corporation line of Ammoore in a southerly direction approximately 400 ft. to point (#2) where said Corporation limit crosses the Baltimore & Ohio Railroad tracks; thence leaving the Corporation line of Ammoore along a ridge in a southwesterly direction 1500 ft. to a point (#3) on the ridge; thence along said ridge approximately 6000 ft. to a point (#4) on the most easterly Corporation limit of the City of Clarksburg; thence along said Corporation limit in a northerly direction approximately 3000 ft. to a point (#5); thence leaving the Corporation line of Clarksburg along a ridge in an easterly direction approximately 6000 ft. to a point (#6) of intersection between a pipeline and a power line; thence along the same ridge in a southerly direction approximately 5300 ft. to a point (#7) on the northern Corporation line of the Town of Ammoore; thence following said Corporation line in a westerly direction 500 ft. to the northwest corner of the Corporation line to point (#8) of the Town of Ammoore; thence following said

Session Held

Tuesday, November 4th,

1975

CARRONE & VAUGHN, INC., ENGINEERS, W. VA. PL-60000 04 57086-A

corporation line in a southerly direction 300 ft. to place of beginning, as shown and designated on a map or plat entitled East View Public Service District, Harrison County, West Virginia, prepared by Carrone & Vaughn, Inc. Engineers.

2. The purpose of said public service district shall be to construct, maintain, operate, improve and extend water and sewerage services and facilities within the territory to the extent permitted by law.

3. The territory above described does not include within its limits the territory of any other public service district organized under the laws hereinbefore referred to and does not include any city, incorporated town or other municipal corporation having a population in excess of 3,000 persons.

4. There shall be a public hearing before the Harrison County Commission on Tuesday, December 2, 1975, at 10:00 o'clock A.M. upon the creation of said public service district, at which hearing all persons residing within or owning or having any interest in property in the area to be embraced within the boundaries of such public service district shall have an opportunity to be heard for and against such creation, and said Commission shall at such hearing consider and determine the feasibility and desirability of the creation of said public service district and shall adopt such resolutions and orders as may be proper.

5. The Clerk of the County Commission of Harrison County shall cause notice of such hearing and the time and place thereof, including the above description of the territory proposed to be included within such public service district, to be given by publication once in a newspaper published and of general circulation in Harrison County at least ten (10) days prior to such hearing; and in addition to the notice required herein to be published, there shall also be posted in at least five (5) con-

APPROVE
BY CLERK
CARRONE & VAUGHN
ENGINEERS
W. VA.

ORDERS—Commissioners Harris County Court, W. Va.

Session Held

Tuesday, November 4th,

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W. VA. STATE & COUNTY OFFICIALS, SPRINGFIELD, W. VA. REGISTERED ON 37084-A

spicuous places within the boundaries of the proposed public service district, a notice containing the same information as is contained in the published notice and such posted notices shall be posted not less than ten (10) days prior to the date of such hearing.

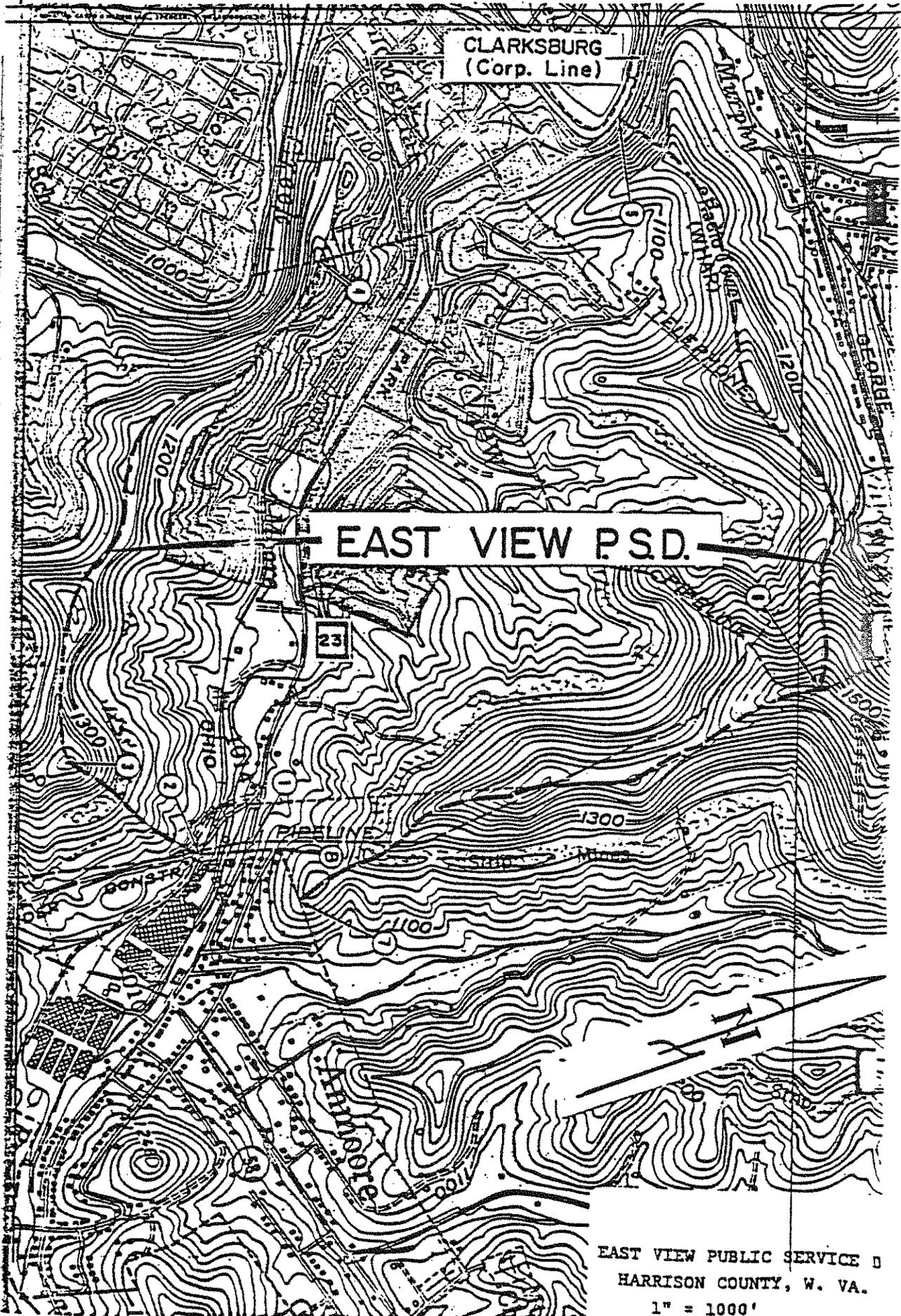
Enter this 4th day of November, 1975.

COUNTY COMMISSION OF HARRISON COUNTY,
WEST VIRGINIA

By James E. Boyce
James E. Boyce, County Commissioner

Daniel L. McCarthy
Daniel L. McCarthy, County Commissioner

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TAM & CANN
LAW OFFICE
LAW BUILDING
HARRIS, W. VA.

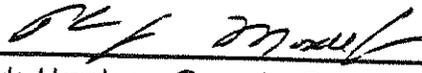


EAST VIEW PUBLIC SERVICE DISTRICT
HARRISON COUNTY, W. VA.
1" = 1000'

STATE OF WEST VIRGINIA,
County of Harrison:

I, FRANK J. MAXWELL, JR., Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in General Order Book No. 47 at Page 581 of said records.

Given under my hand and Seal of said Office this 6th day of April 19 84



Clerk, Harrison County Commission

ORDERS—Commissioners Harrison County Court, W. Va.

Session Held Tuesday, December 2nd,

1975

It is ordered that the Commission be adjourned until Tuesday, December 2nd, 1975 at 10:00 o'clock

_____, President

Tuesday, December 2nd, 1975

The Commission sat pursuant to its adjournment on Monday, December 1st, 1975

Present: Daniel L. McCarthy, President
James E. Boyce, Commissioner

East View Public Service District Created

STATE OF WEST VIRGINIA.

At a regular Term of the County Commission of Harrison County, West Virginia, held at the Courthouse of said County, Commissioners Daniel L. McCarthy and James E. Boyce, a majority of the members, being present thereat, on the 2nd day of December, 1975, the following order was made and entered, to-wit:

EAST VIEW PUBLIC SERVICE DISTRICT:

At a regular Term of the County Commission of Harrison County, held at the Courthouse of said County, Commissioners Daniel L. McCarthy and James E. Boyce, a majority of the members, being present thereat, on the 2nd day of December, 1975, being the date fixed by prior action of the County Commission for conducting the public hearing on the creation of the proposed East View Public Service District, as contemplated and provided for in a resolution and order adopted by the County Commission on the 4th day of November, 1975, the President announced that due publication of notice of such public hearing, in accordance with said order, had been made in the Clarksburg Exponent on Tuesday, the 18th day of November, 1975, as appears from a Certificate of Publication tendered to the County Commission and now filed herein, such notice stating that all persons residing in or owning or having any interest in property in the area to be embraced within the boundaries of such public service district desiring to be heard for or against the creation of said District would be heard. The President further announced that the Affidavit of Joe A. Hogue was filed herein, setting out facts concerning the posting of notices in accordance with said order, in five (5) conspicuous places within the limits of the proposed public service district, said notices containing the same information contained in the published notice and such posted notices were posted not less than

DEERS—Commissioners Harrison County Court, W. Va.

Session Held

Tuesday, December 2nd,

19 75

CARTER & HARRISON INC., SPENCER, W. VA. 26159-0000 BY 37084-A

ten (10) days prior to the date of this hearing. All such interested persons desiring to be heard were given full opportunity at the hearing held on this date, and a number of such persons testified in favor of such creation and none in opposition thereto.

The County Commission then further discussed the creation of said Public Service District, whereupon, on unanimous vote of the said Commissioners, the following order and resolution was adopted, effective immediately:

ORDER AND RESOLUTION creating the East View Public Service District in Harrison County, West Virginia.

WHEREAS, the County Commission of Harrison County, West Virginia, did heretofore, by a resolution and order adopted November 4, 1975, fix a date for a public hearing on the creation of the East View Public Service District for supplying water and sewerage services and in and by said resolution and order provide that all persons residing in or owning or having any interest in property in the area to be embraced within the boundaries of such public service district might appear before the County Commission at this meeting and have the opportunity to be heard for and against the creation of said District;

WHEREAS, the territory hereinafter described does not include within its limits the territory of any other public service district organized under Article 13A of Chapter 16 of the West Virginia Code, nor does such territory include within its limits any city, incorporated town or other municipal corporation having a population in excess of three thousand (3,000) persons; and

WHEREAS, notice of this hearing was duly given in the manner provided and required by said resolution and order and by

W. VA. CODE
SECTION 16-1-1
SECTION 16-1-2
SECTION 16-1-3
SECTION 16-1-4
SECTION 16-1-5
SECTION 16-1-6
SECTION 16-1-7
SECTION 16-1-8
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SECTION 16-1-100

ORDERS—Commissioners Harris County Court, W. Va.

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W. D. CAYNE & BROS. INC., SPENCER, N. VA. REG. ORDER NO. 57084-A

Article 13A of Chapter 16 of the West Virginia Code, and all interested persons having been afforded an opportunity to be heard for and against the creation of said District, and upon the need for water and sewerage services described generally at the hearing, and no written protest having been filed by the requisite number of qualified voters residing within the area to be embraced within the boundaries of such public service district or otherwise, and said County Commission having given due consideration to all matters for which such hearing was had; and

WHEREAS, said County Commission is of opinion and hereby determines that the creation of the proposed Public Service District is feasible, and that the water and sewerage services proposed for said District will be conducive to the preservation of public health, comfort and convenience in said District, and that a resolution and order creating said District should be adopted:

NOW, THEREFORE, Be It, And It Is Heraby, Ordered and Resolved by the County Commission of Harrison County, West Virginia, as follows:

I.

A Public Service District within the County of Harrison in the State of West Virginia, is hereby created, and said District shall have the following boundaries:

Situated in Clark Magisterial District, Harrison County, West Virginia, located generally in the watershed area of Ammoora Run, between Town of Ammoora and City of Clarksburg, and more specifically described as follows:

BEGINNING at a point (#1) where the most westerly Corporation limit of Ammoora crosses W. Va. S. E. 23; thence with the Corporation line of Ammoora in a southerly direction approximately 400 ft. to point (#2) where said

LAST ORDERED
VERIFIED,
RECORDED & INDEXED
THIS 2ND
DECEMBER 1975
CLARKSBURG, W. VA.

DEERS—Commissioners Harrison C. by Court, W. Va.

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Tuesday, December 2nd,

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W. VA. CASES & HARRISON, SPENCER, S. VA. 25-20000 OR 57064-A

Corporation limit crosses the Baltimore & Ohio Railroad tracks; thence leaving the Corporation line of Ammoore along a ridge in a southwesterly direction 1500 ft. to a point (#3) on the ridge; thence along said ridge approximately 6000 ft. to a point (#4) on the most easterly Corporation limit of the City of Clarksburg; thence along said Corporation limit in a northerly direction approximately 3000 ft. to a point (#5); thence leaving the Corporation line of Clarksburg along a ridge in an easterly direction approximately 6000 ft. to a point (#6) of intersection between a pipeline and a power line; thence along the same ridge in a southerly direction approximately 5300 ft. to a point (#7) on the northern Corporation line of the Town of Ammoore; thence following said Corporation line in a westerly direction 500 ft. to the northwest corner of the Corporation line to point (#8) of the Town of Ammoore; thence following said Corporation line in a southerly direction 300 ft. to place of beginning, as shown and designated on a map or plat entitled East View Public Service District, Harrison County, West Virginia, prepared by Carrone & Vaughn, Inc. Engineers.

II.

Said Public Service District shall have the name and corporate title of EAST VIEW PUBLIC SERVICE DISTRICT, and shall constitute a public corporation and political subdivision of the State of West Virginia having all the rights and powers conferred on public service districts by the Laws of the State of West Virginia, and particularly by Article 13A of Chapter 16 of the West Virginia Code.

III.

There being no city, incorporated town or other municipal corporation having a population in excess of three thousand (3,000) persons included within said District, the County Commission hereby appoints the following three (3) persons residing within said District as members of the Public Service Board of said District for the terms shown after their names:

Joe A. Hogue	-	6 years
Frank Guzzi	-	4 years
Fray Queen, Jr.	-	2 years

LAW OFFICES
VAUGHN,
SPENCER & GIBSON
ATTORNEYS AT LAW
SPENCER, W. VA.

ORDERS—Commissioners Harrison County Court, W. Va.

Session Held

Tuesday, December 2nd,

19 75

LEWIS & HARRIS INC., SPENCER, W. VA. RE-ORDER NO. 37084-A

such terms to run from the 1st day of December, 1975, all in accordance with the provisions of West Virginia Code, Chapter 16, Article 13A, Section 3. Said members shall qualify by meeting in the Office of the Clerk of the County Commission as soon as practicable and taking an oath of office, and shall thereafter meet as said Board and organize, pursuant to the provisions of said statute.

Enter this 2nd day of December, 1975.

COUNTY COMMISSION OF HARRISON COUNTY,
WEST VIRGINIA

By James E. Boyce
James E. Boyce, County Commissioner

Daniel L. McCarthy
Daniel L. McCarthy, County Commissioner

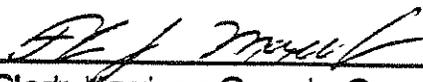
LEWIS & HARRIS
INCORPORATED
SPENCER, W. VA.
RE-ORDER NO. 37084-A

STATE OF WEST VIRGINIA,

County of Harrison:

I, FRANK J. MAXWELL, JR., Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in General Order Book No. 47 at Page 609 of said records.

Given under my hand and Seal of said Office this 6th day of April 19 84



Clerk, Harrison County Commission

Wednesday, April 1, 1986

The Commission sat pursuant to its adjournment on
Tuesday, April 1st, 1986

Present: Thomas A. Keeley, President
Frank X. Lopez, Commissioner
Ruby Keister, Commissioner

Ralph D. Dodd

Appointed Member of East View
Public Service District

WHEREAS, a vacancy exists on the East View Public Service District Board caused by the resignation of Charles W. Jenkins effective March 11, 1986; and,

WHEREAS, at a regular meeting of the said board, John Freshour submitted an application to fill the said vacancy; and,

WHEREAS, after consideration Ralph D. Dodd was appointed to fill said vacancy, and;

WHEREAS, the Commission does hereby desire to ratify said appointment;

NOW BE IT THEREFORE ORDERED that said Ralph D. Dodd be appointed for the unexpired term of Charles W. Jenkins effective April 2, 1986 and to continue until December 2, 1987.

Thereupon came said Ralph D. Dodd and accepted said office or trust and took the oath prescribed by law.

152

ORDERS—Commissioners Harrison County, W. Va.

52/652

Session Held

Tuesday, February 6th,

19 84

OPTIONAL FORM NO. 10, APRIL 1964 EDITION, GSA GEN. REG. NO. 27

It is ordered that the Commission be adjourned until Tuesday, February 6th, 1984 at 10:00 o'clock a.m.

Ruby Keister, President

Tuesday, February 6th, 1984

The Commission sat pursuant to its adjournment on

Monday, February 5th, 1984

Present: Ruby Keister, President
Thomas A. Kaeley, Commissioner
Frank X. Lopez, Commissioner

Sam Aley Re-Appointed Member East View Public Service District Board

WHEREAS, the term of office of Sam Aley as a Member of the East View Public Service District Board has expired, and;

WHEREAS, said Sam Aley has continued to serve as such member aforesaid during the period, and;

WHEREAS, at a meeting of the Board, said Sam Aley was re-appointed a member, and;

WHEREAS, the County Commission desires to ratify such appointment

NOW BE IT THEREFORE ORDERED that Sam Aley be re-appointed a member of the East View Public Service District Board for a term of six years ending December 2, 1989.

Thereupon came said Sam Aley and accepted said office or trust and took the oath prescribed by law.

County Commission Cash-in Authorized (Gen Co)

This ORDER is to direct the Sheriff and Treasurer of Harrison County to cash in the Certificates of Deposit listed below:

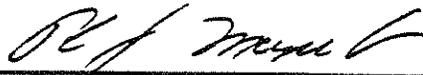
AMOUNT: \$100,000.00 plus interest FUND: General County

STATE OF WEST VIRGINIA,

County of Harrison:

I, FRANK J. MAXWELL, JR., Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in General Order Book Book No. 52 at Page 652 of said records.

Given under my hand and Seal of said Office this 6th day of April 1984



Clerk, Harrison County Commission

STATE OF WEST VIRGINIA,

County of Harrison:

I, NELSON L. BLANKENSHIP, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in General Order Book No. 54 at Page 417, of said records.

Given under my hand and Seal of said Office this 11 day of June, 1986.


Clerk, Harrison County Commission

At a Regular Term of the County Commission of Harrison County, West Virginia, continued and held at the Courthouse thereof, on the 2nd day of December, 19 85, Commissioners Frank X. Lopez and Ruby Keister being present thereat, the following order was made and entered, to-wit:

Frank Guzzi

Re-Appointed Member East View PSD

WHEREAS, the term of office of Frank Guzzi as a Member of the East View Public Service District Board expired December 1, 1985, and;

WHEREAS, at a regular meeting of the said Board, Frank Guzzi was re-appointed as such member aforesaid, and;

WHEREAS, the County Commission desires to ratify such appointment,

NOW BE IT THEREFORE ORDERED that Frank Guzzi be and he is hereby reappointed as a Member of the East View Public Service District Board for a term of six (6) years from December 1, 1985 and to con-

tinue until December 1, 1991.

Thereupon came said Frank Guzzi and accepted said office or trust and took the oath prescribed by law.

STATE OF WEST VIRGINIA,

County of Harrison:

I, NELSON L. BLANKENSHIP, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in GenOrder Book No. 54 at Page 273, of said records.

Given under my hand and Seal of said Office this 20 day of Feb., 19 86.


Clerk, Harrison County Commission

STATE OF WEST VIRGINIA,

County of Harrison:

I, NELSON L. BLANKENSHIP, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in ^{Oath of} Office Book No. 11 at Page 521, of said records.

Given under my hand and Seal of said Office this 11 day of June, 1986

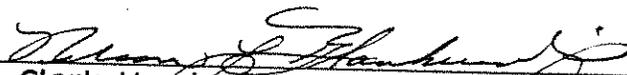

Clerk, Harrison County Commission

STATE OF WEST VIRGINIA,

County of Harrison:

I, NELSON L. BLANKENSHIP, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in Oath Book No. 11 at Page 499, of said records.

Given under my hand and Seal of said Office this 20 day of Feb., 1986.


Clerk, Harrison County Commission

11 208

OATH OF OFFICE AND CERTIFICATE

STATE of WEST VIRGINIA,)
Harrison County, to-wit:)

I do solemnly swear that I will support the Constitution of the United States and the
Constitution of the State of West Virginia, and that I will faithfully discharge the duties
of the office of Member, East View Public Service District

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

Signature of Affiant

Sam Aley
Sam Aley

Subscribed and sworn to before me, in said County and State, this 5th
day of March, 19 34.

Luby Keister

Frank Lopez

STATE OF WEST VIRGINIA

In the Clerk's Office of Harrison County Commission

17th day of 5 19 34
The foregoing OATH OF OFFICE was this day
presented in said office and duly admitted to record.

Charles J. Marshall Clerk

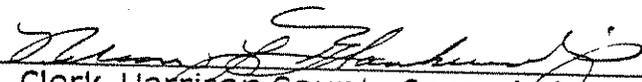
By *Philip Marshall* Deputy Clerk

STATE OF WEST VIRGINIA,

County of Harrison:

I, NELSON L. BLANKENSHIP, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in Oath Book No. 11 at Page 499, of said records.

Given under my hand and Seal of said Office this 20 day of Feb., 1986.


Clerk, Harrison County Commission

RULES OF PROCEDURE

EAST VIEW PUBLIC SERVICE DISTRICT

ARTICLE I

Name and Place of Business

Section 1. Name: EAST VIEW PUBLIC SERVICE DISTRICT

Section 2. The principal office of this Public Service District will be located at Route 2, Box 250, Clarksburg, West Virginia 26301.

Section 3. The Common Seal of the District shall consist of two concentric circles between which circles shall be inscribed EAST VIEW PUBLIC SERVICE DISTRICT, and in the center "SEAL" as follows:

Section 4. The fiscal year of the District shall begin the 1st day of July in each year and shall end on the following June 30.

ARTICLE II

Purpose

This District is organized exclusively for the purposes set forth in Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended.

ARTICLE III

Membership

Section 1. The members of the Public Service Board of this District shall be those persons appointed by the County Commission of Harrison County, West Virginia, who shall serve for such terms as may be specified in the order of the County Commission.

Section 2. Should any member of the Public Service Board resign or otherwise become legally disqualified to serve as a member of the Public Service Board, the Secretary shall immediately notify

the County Commission and request the appointment of a qualified person to fill such vacancy. Prior to the end of the term of any member of the Public Service Board, the Secretary shall notify the County Commission of the pending termination and request the County Commission to enter an order of appointment or re-appointment to maintain a fully qualified membership of the Public Service Board.

ARTICLE IV

Meetings of the Public Service Board

Section 1. The members of the Public Service Board of this District shall hold regular monthly meetings on the 15th of each month at such place and hour as the members shall determine from time to time. If the day stated shall fall on a legal holiday, the meeting shall be held on the following day. Special meetings of the Public Service Board may be called at any time by the Chairman or by a quorum of the Board.

Section 2. At any meeting of the Public Service Board of the District, two members shall constitute a quorum. Each member of the Public Service Board shall have one vote at any membership meeting and if a quorum is not present, those present may adjourn the meeting to a later date.

Section 3. Notice to members by letter or telephone shall be required for regular meetings. Notice in writing of each special meeting of the membership shall be given to all members by the Secretary by mailing the same to the last known post office addresses of the members at least three (3) days before the date fixed for such meeting. The notice of any special meeting shall state briefly the purposes of such meeting and the nature of the business to be transacted thereat, and no business other than that stated in the notice or incidental thereto shall be transacted at any such special meeting.

Public Notice of Meetings

Section 4. Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended, notice of the time and place of all regularly scheduled sessions of such public service board, and the time, place and purpose of all special sessions of such public service board shall be made available to the public and news media as follows:

(A) A notice shall be posted by the Secretary of the public service board of such Public Service District at the front door of the Harrison County Courthouse of the time and place fixed and entered of record by the public service board for the holding of regularly scheduled sessions. If a particular regularly scheduled session is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the front door of the Courthouse as soon as feasible after such cancellation or postponement has been determined upon.

(B) A notice shall be posted by the Secretary of the public service board at the front door of the Harrison County Courthouse at least twenty-four hours before a special session is to be held, stating the time, place and purpose for such special session shall be held. If the special session is cancelled, a notice of such cancellation shall be posted at the front door of the Courthouse as soon as feasible after such cancellation has been determined upon.

(C) The form of notice for posting as to a special session may be generally as follows:

EAST VIEW PUBLIC SERVICE DISTRICT

Notice of Special Session

The public service board of East View Public Service District will meet in special session on _____, 19____, at _____ M. E. T, at _____, West Virginia, for the following purposes:

1. To consider and act upon a proposed Bond Authorizing Resolution providing for the issuance of a _____ Bond, Series _____, of _____ facilities of the District.

2. _____

Secretary

Date: _____

ARTICLE V

Officers

Section 1. The officers of the Public Service Board shall be a Chairman, Secretary and Treasurer. The Chairman shall be elected from the members of the Public Service Board. The Secretary and Treasurer need not be members of the Public Service Board, and may be the same person.

Section 2. The officers of the Public Service Board shall be elected each year by the members at the first meeting held in the month of January of such year. The officers so elected shall serve until the next annual election by the membership and until their successors are duly elected and qualified. Any vacancy occurring among the officers shall be filled by the members of the Public Service Board at a regular or special meeting. Persons selected to fill vacancies shall serve until the following January meeting of the Board when their successors shall be elected as hereinabove provided.

ARTICLE VI

Duties of Officers

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Public Service Board. He shall, together with the Secretary, sign the minutes of all meetings at which he shall preside. He shall attend generally to the executive business of the Board and exercise such powers as may be conferred upon him by the Board, by these by-laws, or prescribed by law. He shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements or other papers necessary, requisite, proper or convenient to be executed by or on behalf of the Board when and if directed by the members of the Board.

Section 2. If the Chairman is absent from any meeting, the remaining members of the Board shall select a temporary chairman.

Section 3. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. He shall, together with the Chairman, sign the minutes of the meetings at which he is present. The Secretary shall have charge of the minute book, be the custodian of deeds and other writings and papers of the Board. He shall also perform such other duties as he may have under law by virtue of his office or as may be conferred upon him from time to time by the members of the Board.

Section 4. The Treasurer shall be the lawful custodian of all funds of the District and shall pay same out on orders authorized or approved by the Board. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him and shall prepare and submit such reports and statements of the financial condition of the Board as the members may from time to time prescribe. He shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Board.

ARTICLE VIII

Amendments to Rules of Procedure

These Rules of Procedure may be altered, changed, amended or added to at any regular or special meeting of the Board by a majority vote of the entire Board, or at any regular or special meeting of the members when a quorum is present in person and a majority of those present vote for the amendment; but no such change, alteration, amendment or addition shall be made at any special meeting unless notice of the intention to propose such change, alteration, amendment or addition and a clear statement of the substance thereof be included in the written notice calling such meeting.

EAST VIEW PUBLIC SERVICE DISTRICT
REGULAR MEETING OF THE PUBLIC SERVICE BOARD
APRIL 8, 1986

A Regular Meeting of the Public Service Board of the East View Public Service District was held at its principal offices in East View, West Virginia, on April 8, 1986.

Frank Guzzi served as Chairman of the meeting, and Samuel Aley served as Secretary of the meeting.

Members Present: Frank Guzzi
 Samuel Aley

Members Absent: Ralph D. Dodd

The Acting Chairman called the meeting to order, declared that a quorum was present, and announced that the Board could proceed to its business.

After his opening remarks, the Acting Chairman acknowledged that a vacancy had been created on the Board by the resignation of Charles W. Jenkins as member and Chairman effective March 11, 1986. He further acknowledged that Ralph D. Dodd had been appointed for the unexpired term of Charles W. Jenkins by the Harrison County Commission, April 2, 1986, his term to continue until December 2, 1987.

Thereupon, a motion was duly made and seconded that Ralph D. Dodd be made Chairman of the East View Public Service District Board.

After discussion, the following Resolution was unanimously adopted:

RESOLVED, that Ralph D. Dodd be named the Chairman of the East View Public Service District Board, and that he be empowered and directed to execute all necessary forms and agreements for and on behalf of the Public Service District.

There being no further business to come before the meeting, the meeting was adjourned.



Secretary

Approved:



Acting Chairman

PUBLISHER'S CERTIFICATE

NOTICE

EAST VIEW PUBLIC SERVICE DISTRICT
HARRISON COUNTY, WEST VIRGINIA
\$500,000 Sewer Revenue Bonds and
\$2,500,000 Sewerage System
Construction Notes

NOTICE IS HEREBY GIVEN to the residents of East View Public Service District, Harrison County, West Virginia, that East View Public Service District intends to acquire, construct, operate and maintain certain public service properties described below (the "Project") in East View Public Service District, and will seek approval from the Public Service Commission of West Virginia for a Certificate of Convenience and Necessity to construct the Project and for approval of the rates and proposed financing arrangements set forth herein.

The District contemplates financing the Project in part through the issuance of its Sewer Revenue Bonds in the aggregate principal amount of approximately Five Hundred Thousand Dollars (\$500,000) (the "Bonds"), bearing interest at a rate not to exceed 12% and with maturities not to exceed 40 years, and in part from a grant from the United States Environmental Protection Agency and other grants.

Prior to issuance of the Bonds, the District contemplates the issuance of its Sewerage System Construction Notes in the aggregate principal amount of approximately Two Million Five Hundred Thousand Dollars (\$2,500,000) (the "Notes") bearing interest at a rate not to exceed 12% per annum, and with maturities not to exceed 36 months.

Public Service properties to be acquired and constructed are additional sewer lines, to-wit, an interceptor sewer line and all appurtenant facilities at a cost of approximately \$2,000,000.

The anticipated rates to be charged by the District for sewer service are:

RATE

\$.19.75 per month (flat rate) for all customers.

DELAYED PAYMENT PENALTY

The above tariff is net. On all accounts not paid in full within 20 days of date of bill, 10% will be added to the net amount shown.

CONNECTION CHARGE

Prior to construction-\$25.

Subsequent to construction-\$200 fee for each new tap added to the system.

Residents of that portion of the public service district to be served by the Project who wish to register opposition to the issuance of the Bonds or the Notes, may do so by signing a form available for that purpose, which will be maintained for a period of 30 days from the date hereof in the office of the Clerk of the County Commission of Harrison County and in the office of East View Public Service District, Route 2, Box 250, Clarksburg, West Virginia 26301. These forms shall be available during regular business hours.

The Public Service Commission cannot approve this project if at least 50% of the registered voters who are residents of East View Public Service District sign the form indicating their opposition.

Moreover, persons who wish to submit comments or protests directly to the Public Service Commission may do so by writing to Howard M. Cunningham, Executive Secretary, Public Service Commission, State Capitol, Charleston, West Virginia, 25305. Anyone desiring a hearing must demand a hearing in the letter of protest. If no significant protests are received, and if less than 50% of the registered voters to be served sign the aforesaid petitions, the Public Service Commission may approve the application without hearing.

s/s Virgil Smith

VS.

STATE OF WEST VIRGINIA,
COUNTY OF HARRISON:

I, DEBORAH S. VELTRI

Classified Office Manager of CLARKSBURG TELEGRAM, a newspaper of general circulation published in the City of Clarksburg, County and State aforesaid, do hereby certify that the annexed

NOTICE

EAST VIEW PUBLIC SERVICE DISTRICT

was published in said CLARKSBURG TELEGRAM once a week for 2 successive weeks,

commencing on the 7th day of November 19 83

and ending on the 14th day of November 19 83

The publisher's fee for said publication is \$ 61.36

Given under my hand this 14th day of November 19 83

Deborah S. Veltri
Classified Office Mgr. of Clarksburg Telegram.



Subscribed and sworn to before me this 14th day of November 19 83

John A. Starnes
Notary Public in and for Harrison County, W. Va.

My commission expires on the 24th day of October 19 93

EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 1986

MINUTES ON ADOPTION OF BOND RESOLUTION
NOTES RESOLUTION AND SUPPLEMENTAL RESOLUTION

I, Sam Aley, Secretary of the Public Service Board of East View Public Service District, hereby certify that the following is a true and correct excerpt of the minutes of a special meeting of the Public Service Board of East View Public Service District:

* * *

* * *

* * *

The Public Service Board of East View Public Service District met in special session pursuant to notice duly given, on June 11, 1986, at Clarksburg, West Virginia, at the hour of 5:00 p.m.

PRESENT: Ralph D. Dodd	- Member
Sam Aley	- Member
Frank Guzzi	- Member

present was James V. Cann, counsel to the District and Vincent A. Collins, bond counsel.

ABSENT: *Sam Aley*

The Chairman announced that a quorum of members was present and that the meeting was open for any business properly before it. Thereupon, the Chairman presented three proposed Resolutions in writing entitled, respectively:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF EAST VIEW PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN \$500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1986, PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

SUPPLEMENTAL RESOLUTION PROVIDING AS TO DATE, MATURITY, INTEREST RATE, PRINCIPAL PAYMENT SCHEDULE, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1986, OF EAST VIEW PUBLIC SERVICE DISTRICT; AUTHORIZING AND APPROVING A LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS

RESOLUTION AUTHORIZING THE ISSUANCE BY EAST VIEW PUBLIC SERVICE DISTRICT OF \$100,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWERAGE SYSTEM GRANT ANTICIPATION NOTES, SERIES 1986; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH NOTES; AUTHORIZING THE SALE OF SUCH NOTES TO COMMUNITY BANK & TRUST, NATIONAL ASSOCIATION; AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, on motion of Ralph D. Dodd, seconded by Frank Guzzi, it was unanimously ordered that all such Resolutions be adopted and be in full force and effect on and from the date thereof.

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

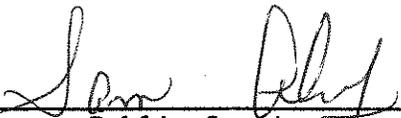
* * *

* * *

* * *

I hereby certify that the foregoing action of said Public Service Board remains in full force and effect and has not been amended or repealed.

WITNESS my signature on this 13th day of June, 1986.



Secretary, Public Service Board of
East View Public Service District

06/10/86
EVSEW1-R

THIS AGREEMENT, made and entered into this 4th day of January, 1984, by and between THE SANITARY BOARD OF THE CITY OF CLARKSBURG, and THE CITY OF CLARKSBURG, a municipal corporation (Clarksburg), parties of the first part, and THE SANITARY BOARD OF THE TOWN OF ANMOORE and THE TOWN OF ANMOORE, a municipal corporation (Anmoore), parties of the second part, and THE EAST VIEW PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia (District), party of the third part.

WITNESSETH, THAT, WHEREAS, Clarksburg has heretofore installed an interceptor sewer system within its City limits (Clarksburg Interceptor Sewer System), whereby all of the sanitary sewage of the City is collected along the banks of Elk Creek and the West Fork River in the City of Clarksburg and transported in said interceptor sewer system to a point downstream along said West Fork River within said City near the northerly boundary of the City of Clarksburg, to a sewage disposal plant (Clarksburg Sewer Disposal Plant) owned and operated by the Sanitary Board of the City of Clarksburg; and

WHEREAS, Anmoore has constructed an interceptor sewer system running from the Town of Anmoore to the eastern boundary of the City of Clarksburg (Anmoore Interceptor Sewer System) and has connected the same into the Clarksburg Interceptor Sewer System in order to have the sewage collected in the Anmoore Interceptor System disposed of in and by the Clarksburg Sewage Disposal Plant; and

WHEREAS, Anmoore and Clarksburg entered into an Agreement, dated August 15, 1975, setting forth the rights and duties of the parties relative to the connection of the Anmoore Interceptor Sewer System into the Clarksburg Interceptor Sewer System; and

WHEREAS, the main trunk line of the Anmoore Interceptor System is constructed along Anmoore Run and passes through the East View Area; and

WHEREAS, the District now desires to construct a system of collector and trunk sewers (District's Sewer System) for the collection of waste water and to connect the same into the main trunk line of the Anmoore Interceptor Sewer System in order to also have the sewage collected in the District's sewer system disposed of in and by the Clarksburg Sewage Disposal Plant; and

WHEREAS, the main trunk line of the Anmoore Interceptor System was designed to carry the additional flow of waste water to be collected from the District's Sewer System; and

WHEREAS, the District has been advised by the engineer for the Sanitary Board of the City of Clarksburg that the Clarksburg Interceptor Sewer System and Sewage Disposal Plant have the capacity sufficient to handle the sewage from the District's Sewer System in addition to other sewage now being handled by Clarksburg, both for the present and for the reasonably foreseeable future; and

WHEREAS, the parties hereto desire to agree upon all matters connected therewith, including connections, rates, payments, breaks in water and sewer lines and all other related problems.

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants and agreements herein contained, the parties hereto covenant and agree to and with each other as follows:

1. Clarksburg covenants and agrees that it will accept into the Clarksburg Interceptor Sewer System sewage from the District's Sewer System which is to be collected into the Anmoore Interceptor Sewer System.

2. The District covenants and agrees to pay Clarksburg for such right and privilege, and for the services hereafter to be performed in connection with the transporting of the sewage from the District and the maintenance of the Clarksburg Interceptor Sewer System, after deductions for water furnished to water customers which do not generate sewage that enters the Clarksburg Sewer System, said payment to be made monthly, not more than ten (10) days after the receipt by the District of a statement for said water purchased from the Clarksburg Water Board, for sums in accordance with the following schedule of rates:

RATE

(Based upon the metered amount of water supplied)

For the first 4,000 cubic feet used per month	-	\$ 1.73 per 100 cu. ft.
Minimum charge per month	-	\$ 6.92
For the next 16,000 cubic feet used per month	-	\$ 1.27 per 100 cu. ft.
For all over 20,000 cubic feet used per month	-	\$ 0.82 per 100 cu. ft.

As to individual residential sewage customers of the District who are not connected to a metered water system, the monthly rate for sewage service shall be said minimum amount.

As to industrial and commercial customers of the District who are not connected to a metered water system, the rate shall be determined by the parties hereto involved prior to connection into the District's Sewer System.

District covenants and agrees that the foregoing rates are net, and that, in accordance with the current Tariff of Clarksburg on file with the Public Service Commission, any account not paid in full within twenty (20) days of the date of the billing will be subject to a ten percent (10%) penalty which will be added to the amount due, which penalty shall accrue and be paid only once for any one period of time.

The District further covenants and agrees to pay Clarksburg for such right and privilege such sums as may be provided by an amended rate ordered by the Council of the City of Clarksburg, and approved, if so required by the laws of the State of West Virginia, by the Public Service Commission of West Virginia.

Any rate increase for the District approved by the Public Service Commission will be retroactive to a date forty-five (45) days after passage of the rate increase ordinance by the Clarksburg City Council.

3. Anmoore covenants and agrees to allow the District to connect its sewer system to the main trunk line of the Anmoore Interceptor Sewer System at the points and in the manner to be reasonably agreed upon by the parties.

4. The District shall, at no cost and expense to Clarksburg, cause to be installed a master water meter or meters, required to ascertain the total amounts of water flow to District customers for the purpose of calculating the charge by Clarksburg for sewage treatment services rendered to the District. The District shall furnish a

copy of meter readings for all such meters each month, within ten (10) days after such meters are read. Anmoore shall furnish a copy of all water meter readings each month for all District customers to whom it furnishes water, within ten (10) days after such meters are read.

5. That upon commencement of the construction of the District's Sewer System the District covenants and agrees to pay Anmoore the sum of Twenty Thousand Dollars (\$20,000.00) as the District's share of the cost and expense of the construction of the main trunk line of the Anmoore Interceptor System.

6. Anmoore shall perform any repair or maintenance service deemed necessary for the continued operation of the Anmoore Interceptor Sewer System, including, without limitation, the maintenance of the main trunk line of the System, and the District shall reimburse Anmoore fifty percent (50%) of the reasonable costs and expenses of any of such maintenance service incurred in connection with the repair and maintenance of the main trunk line of the Anmoore Interceptor System. The District at its sole cost and expense shall perform any repair and maintenance service deemed necessary for the continued operation of the District's Sewer System.

7. Anmoore and the District covenant and agree that, subject to the further provisions hereof, and subject to the reasonable rules and regulations issued by Clarksburg with respect to the use of the said Clarksburg Interceptor Sewer System and Sewage Disposal Plant, Anmoore and the District will take all reasonable action to limit the flow into the Clarksburg Interceptor Sewer System to only sanitary sewage to the extent that Anmoore and the District are reasonably able to separate their storm drainage

from their sanitary sewers. Anmoore and the District further covenant and agree that they will take every reasonable effort in the future to separate storm and surface drainage from sanitary sewage where practicable.

Anmoore and the District covenant and agree to take all precautions to prevent harmful materials from entering the Clarksburg Interceptor Sewer System. Anmoore and the District further covenant and agree to accept and abide by all ordinances, rules, regulations and requirements now in effect or hereafter promulgated by The Sanitary Board of the City of Clarksburg or by the City of Clarksburg with respect to the control of materials entering the Clarksburg Interceptor Sewer System and in order to facilitate the control of materials entering the sewer systems of Anmoore and the District, to put all such ordinances, rules, regulations and requirements into effect in Anmoore and the District, Clarksburg covenants and agrees that any ordinances, rules, regulations and requirements hereafter promulgated affecting Anmoore or the District shall not be more restrictive, difficult, or expensive from the ordinances, rules, regulations and requirements promulgated with by Clarksburg with respect to the Clarksburg Interceptor Sewer System.

8. Anmoore and the District covenant and agree to report to the Sanitary Board of the City of Clarksburg at the time of each monthly payment such reasonable information concerning sewage service and the operation of the sanitary sewer systems of Anmoore and the District as may be required by the Sanitary Board of the City of Clarksburg on forms to be prepared and supplied by said Sanitary Board.

9. Clarksburg covenants and agrees that in the event of a serious water leak or break in any major water line of Anmoore or the District, Clarksburg acting by

and through the Sanitary Board of the City of Clarksburg, shall give all reasonable consideration to the making of a fair adjustment in the sewer service charge to Anmoore and the District for the period in which the leak or break occurred, based and conditioned upon the following principles:

(a) The adjustment shall be an attempt to make the sewer service charge apply only to water which can reasonably be estimated to have entered the Anmoore Interceptor Sewer System.

(b) The burden shall be upon Anmoore or the District to reasonably justify any claim for adjustment by the best available information.

(c) Anmoore and the District shall have the duty and responsibility of making reasonable checks and inspections of their water lines in order to prevent leaks and breaks and in order to discover the same within a reasonable time after their occurrence.

(d) Anmoore and the District shall make claims for adjustments in writing on forms to be provided by the Sanitary Board of the City of Clarksburg immediately upon learning of a water leak or break in any major water line of Anmoore or the District.

(e) No claim for adjustment shall be considered by the Sanitary Board of the City of Clarksburg filed later than the date for second monthly sewer service charge payment after the discovery of such leak or break.

10. Anmoore and the District covenant and agree that in the event of a substantial increase in the operating costs of the Clarksburg Sewage Disposal Plant which

requires Clarksburg to seek a higher sewer service charge rate, upon written notice thereof given to Anmoore and the District, the service charge rate charged Anmoore and the District shall be increased to such rate as shall be approved by the Public Service Commission of West Virginia.

*P.S.C. 444 to 447
1937 10-2-1937*

11. In accordance with the law in such case made and provided, this Agreement shall remain in force and effect for a period of fifteen (15) years from the date thereof; provided, however, that the District shall have the right and option to renew this Agreement for one (1) additional term of fifteen (15) years by giving written notice of such renewal to Clarksburg and Anmoore at least six (6) months prior to the expiration of the then current term hereof; on the express condition that District shall at the same time, agree to use the Clarksburg Sewer System exclusively during all of said initial and subsequent fifteen (15) year terms.

12. The parties hereto mutually covenant and agree that the first payment to the Sanitary Board of the City of Clarksburg by the District shall be due and payable within ten (10) days after one (1) month from the date of the approval of this Agreement by the Public Service Commission of West Virginia and the approval of the new sewer service charge rate of the District by the Public Service Commission of West Virginia, which first payment shall be for all service from the date of the actual flow of sewage through the connection of the District trunk sewer system into the Anmoore Interceptor Sewer System, calculated as herein provided.

11-10-1937

13. Anmoore and the District covenant and agree to make all necessary arrangements for convenient meter readings to comply with the terms and provisions hereof.

14. Anmoore and the District further covenant and agree to make timely payment of any sum due Clarksburg during the continuance of this Agreement.

15. In case of excessive flow in the Anmoore interceptor sewer line, Clarksburg will look only to Anmoore for additional payment based upon the amount of the excess of the flow over and above the flow shown by the two master meter readings, and Anmoore may look to District for reimbursement if the excess flow is shown to be from District sewer lines.

16. Anmoore covenants and agrees that said Agreement with Clarksburg dated August 15, 1975, is still in full force and effect and is not changed by this Agreement, and that Anmoore will continue to perform all of the duties and acts required of Anmoore as set forth in said Agreement as fully as if this Agreement did not exist.

Furthermore, Anmoore covenants and agrees that Clarksburg shall look only to Anmoore with respect to all matters covered by said Agreement of August 15, 1975, and will not be required to look to or deal with District with respect to any duties of Anmoore set forth in said Agreement.

IN WITNESS WHEREOF, the said THE SANITARY BOARD OF THE CITY OF CLARKSBURG and THE CITY OF CLARKSBURG, a municipal corporation, and THE SANITARY BOARD OF THE TOWN OF ANMOORE and THE TOWN OF ANMOORE, a

municipal corporation, and THE EAST VIEW PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, have caused these presents to be signed and its seal affixed by its proper officer thereunto duly authorized, on this the 4th day of January, 1984.

THE SANITARY BOARD OF THE
CITY OF CLARKSBURG

By Patsy S. Treest
_____, Its Chairman

THE CITY OF CLARKSBURG,
A MUNICIPAL CORPORATION

By Patsy S. Treest
_____, Its Manager

THE SANITARY BOARD OF THE
TOWN OF ANMOORE

By Andrew Casto
_____, Its Chairman

THE TOWN OF ANMOORE,
a municipal corporation

By Andrew Casto
_____, Its Mayor

THE EAST VIEW PUBLIC SERVICE DISTRICT,
a public corporation and political
subdivision of the State of West Virginia

By Deigil R. Smith
_____, Its Chairman

STATE OF WEST VIRGINIA)
)
COUNTY OF HARRISON)

TO-WIT:

I, Glenda P. Easley, A Notary Public in and for the
County and State aforesaid, do certify that Steve F. Jurek
who signed the foregoing writing, bearing date the 4th day of January, 1984, for
THE SANITARY BOARD OF THE CITY OF CLARKSBURG and THE CITY OF CLARKSBURG,
a municipal corporation, has this day in my said County, before me, acknowledged the
said writing to be the act and deed of said The Sanitary Board of the City of Clarksburg
and The City of Clarksburg.

Given under my hand this 20th day of January, 1984.

My commission expires October 4, 1987.

Glenda P. Easley
Notary Public

COMMISSIONED AS: GLENDA P. BOOTH

STATE OF WEST VIRGINIA)
 (TO-WIT:
COUNTY OF HARRISON)

I, Arch N. Benninger, A Notary Public in and for the
County and State aforesaid, do certify that Andrew Casto,
who signed the foregoing writing, bearing date the 9th day of January, 1984, for
THE SANITARY BOARD OF THE TOWN OF ANMOORE AND THE TOWN OF ANMOORE,
a municipal corporation, has this day in my said County, before me, acknowledged the
said writing to be the act and deed of said The Sanitary Board of the Town of Anmoore
and The Town of Anmoore.

Given under my hand this 9 day of JANUARY, 1984.

My commission expires: 16 October 1993.

Arch N. Benninger
Notary Public

STATE OF WEST VIRGINIA)
(TO-WIT:
COUNTY OF HARRISON)

I. Glenda P. Bishop, A Notary Public in and for the
County and State aforesaid, do certify that Virgil R. Smith,
who signed the foregoing writing, bearing date the 9th day of January, 1984, for
THE EAST VIEW PUBLIC SERVICE DISTRICT, a public corporation and political
subdivision of the State of West Virginia, has this day in my said County, before me,
acknowledged the said writing to be the act and deed of said District.

Given under my hand this 20th day of January, 1984.

My commission expires: October 1987.

Glenda P. Bishop
Notary Public

COMMISSIONED AS: GLENDA P. BOOTH

U.S. ENVIRONMENTAL PROTECTION AGENCY
~~EPA ASSISTANCE AGREEMENT AMENDMENT~~
 PART I - ASSISTANCE NOTIFICATION INFORMATION

1. ASSISTANCE ID NO. C-54-30-02-0	2. LOG NUMBER Three-C- 271
3. DATE OF AWARD SEP 30 1982	4. MAILING DATE OCT 01 1982

5. AGREEMENT TYPE	6. PAYMENT METHOD
Cooperative Agreement	<input type="checkbox"/> Advance <input checked="" type="checkbox"/> Reimbursement <input type="checkbox"/> Letter of Credit
Grant Agreement <input checked="" type="checkbox"/>	7. TYPE OF ACTION
Assistance Amendment	Continuation

8. RECIPIENT East View PSD Loundes Bank, Loundes Square Clarksburg, West Virginia 26301	9. PAYEE East View PSD Loundes Bank, Loundes Square Clarksburg, West Virginia 26301
--	--

EIN NO.	CONGRESSIONAL DISTRICT	10. RECIPIENT TYPE
	1	Public Service District

11. PROJECT MANAGER AND TELEPHONE NO. Joe Hogue Chairman 304/623-5611	12. CONSULTANT (WWT Construction Grants Only) Cerrone and Vaughn 401 Main Street Wheeling, West Virginia 26003
--	---

13. ISSUING OFFICE (City/State) Philadelphia, Pennsylvania	14. EPA PROJECT/STATE OFFICER AND TELEPHONE NO. James B. Topsale Team Leader, West Virginia Section 215/597-3839
---	---

15. EPA CONGRESSIONAL LIAISON & TEL. NO. Patricia Gaskins 202/382-5184	16. STATE APPL ID (Clearinghouse)	17. FIELD OF SCIENCE N/A	18. PROJECT STEP (WWT CG Only) III
19. STATUTORY AUTHORITY Clean Water Act	20. REGULATORY AUTHORITY 40 CFR Part 35	21. STEP 2 + 3 & STEP 3 (WWT Construction Only)	
		a. Treatment Level	N/A
		b. Project Type	MOD
		c. Treatment Process	N/A
		d. Sludge Design	N/A

22. PROJECT TITLE AND DESCRIPTION
 This Step 3 project consists of the construction of a wastewater collection system to transport flows to the City of Clarksburg treatment plant.

23. PROJECT LOCATION (Areas Impacted by Project)

City/Place Clarksburg	County Harrison	State WV	Congressional District 1
24. ASSISTANCE PROGRAM (CFDA Program No. & Title) 66.418	25. PROJECT PERIOD 10/82 - 3/84	26. BUDGET PERIOD N/A	
27. COMMUNITY POPULATION (WWT CG Only) 1,700	28. TOTAL BUDGET PERIOD COST N/A	29. TOTAL PROJECT PERIOD COST \$1,758,000	

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
30. EPA Amount This Action		\$1,318,500	\$1,318,500
31. EPA In-Kind Amount			
32. Unexpended Prior Year Balance			
33. Other Federal Funds			
34. Recipient Contribution			
35. State Contribution			
36. Local Contribution			
37. Other Contribution			
38. Allowable Project Cost		\$1,758,000	\$1,758,000

39. FISCAL	Program Element	FY	Appropriation	Doc. Control No.	Account Number	Object Class	Obligation/Deoblig. Amount
	G7DW80	77TN	68X0103.8	TN8218	FG7D036006	41.11	\$1,318,500

TABLE A - OBJECT CLASS CATEGORY
(Non-construction)TOTAL APPROVED ALLOWABLE -
BUDGET PERIOD COST

1. PERSONNEL	N/A
2. FRINGE BENEFITS	
3. TRAVEL	
4. EQUIPMENT	
5. SUPPLIES	
6. CONTRACTUAL	
7. CONSTRUCTION	
8. OTHER	
9. TOTAL DIRECT CHARGES	
10. INDIRECT COSTS: RATE % BASE	
11. TOTAL (Share: Recipient) _____ % Federal _____ %)	
12. TOTAL APPROVED ASSISTANCE AMOUNT	\$

TABLE B - PROGRAM ELEMENT CLASSIFICATION
(Non-construction)

1.	N/A
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12. TOTAL (Share: Recipient) _____ % Federal _____ %)	
13. TOTAL APPROVED ASSISTANCE AMOUNT	\$

TABLE C - PROGRAM ELEMENT CLASSIFICATION
(Construction)

1. ADMINISTRATION EXPENSE	1,000
2. PRELIMINARY EXPENSE	
3. LAND STRUCTURES, RIGHT-OF-WAY	
4. ARCHITECTURAL ENGINEERING BASIC FEES	51,520
5. OTHER ARCHITECTURAL ENGINEERING FEES	24,840
6. PROJECT INSPECTION FEES	111,320
7. LAND DEVELOPMENT	
8. RELOCATION EXPENSES	
9. RELOCATION PAYMENTS TO INDIVIDUALS AND BUSINESSES	
10. DEMOLITION AND REMOVAL	
11. CONSTRUCTION AND PROJECT IMPROVEMENT	1,427,400
12. EQUIPMENT	
13. MISCELLANEOUS	
14. TOTAL (Lines 1 thru 13)	
15. ESTIMATED INCOME (If applicable)	
16. NET PROJECT AMOUNT (Line 14 minus 15)	
17. LESS: INELIGIBLE EXCLUSIONS	
18. ADD: CONTINGENCIES	141,920
19. TOTAL (Share: Recipient) <u>25</u> % Federal <u>75</u> %)	1,758,000
20. TOTAL APPROVED ASSISTANCE AMOUNT	\$ 1,318,500

PART III-AWARD CONDITIONS

a. GENERAL CONDITIONS:

The recipient covenants and agrees that it will expeditiously initiate and timely complete the project work for which assistance has been awarded under this agreement, in accordance with all applicable provisions of 40 CFR Chapter I, Subpart B. The recipient warrants, represents, and agrees that it, and its contractors, subcontractors, employees and representatives, will comply with: (1) all applicable provisions of 40 CFR Chapter I, Subchapter B, INCLUDING BUT NOT LIMITED TO the provisions of Appendix A to 40 CFP Part 30, and (2) any special conditions set forth in this assistance agreement or any assistance amendment pursuant to 40 CFR 30.425.

b. SPECIAL CONDITIONS:

(For cooperative agreements include identification or summarization of EPA responsibilities that reflect or contribute to substantial involvement.)

The grantee is subject to all the requirements of 40 CFR Part 35 Subpart I, Part 30, Part 33, and other pertinent regulations. The grantee is directed to certain following special considerations of those requirements.

1. Regulations Affecting Federal Grant Payments

- a. Payment shall not be made for Step III professional services until the grantee complies with the procurement requirements of 40 CFR Part 33 Subpart A.
- b. The Regional Administrator shall not pay more than 50% of the Federal share unless the grantee has furnished a satisfactory final plan of operation, and shall not pay more than 90% unless the grantee has furnished a satisfactory operation and maintenance manual (40 CFR 35.2206).
- c. Payments shall be made in accordance with 40 CFR 35.2300.
- d. The grantee may submit requests for payment certifying that allowable costs have been incurred in accordance with the following schedule:

<u>Payment No.</u>	<u>Date</u>	<u>Payment</u>	<u>Cumulative Amount</u> (not to be exceeded)
1	3/83	\$ 20,000	\$ 20,000
2	4/83	100,000	120,000
3	5/83	125,000	245,000
4	6/83	150,000	395,000
5	7/83	125,000	520,000
6	8/83	100,000	620,000
7	9/83	70,000	690,000
8	10/83	70,000	760,000
9	11/83	75,225	835,225
10	12/83	75,000	910,225
11	1/84	100,000	1,010,225
12	2/84	100,000	1,110,225
13	3/84	76,475	1,186,700
14	4/84	131,800	1,318,500

2. Project Schedule Changes

For any changes in the project which increase the cost, delay or accelerate the project or alter the project in other ways (40 CFR 35.2204), the grantee must receive a formal grant amendment from the Regional Administrator before implementing the changes. Of particular interest is any change in the building completion date as referenced in 40 CFR 35.2216 and the initiation of project operation date. The latter date is considered, at the time of this grant, to be 3/1/84. The grantee further agrees to provide the Regional Administrator, upon request, with a revised schedule for payment.

3. Project Initiation

The grantee agrees to initiate the building of all significant elements of the project within 9 months of the date of this grant award (40 CFR 35.2212). To the extent practicable this initiation should not occur before all sites, easements and rights-of-ways are acquired. The grantee shall notify the Regional Administrator immediately upon award of the contracts.

4. Sewer Use Ordinance and User Charge System

The grantee agrees to adopt its sewer use ordinance and implement its user charge system before the treatment works is placed in operation (40 CFR 35.2208).

5. Project Performance

The grantee agrees to certify to the Regional Administrator on the date one (1) year after the initiation of operation whether the project is capable of meeting the project performance standards [40 CFR 35.2214(d)].

6. Subagreements and Contracts

- a. The grantee agrees to negotiate a subagreement and contract for all services to be awarded under this grant. Such subagreements and contracts shall be in conformance with and incorporate the required clauses of 40 CFR Part 33.
- b. A copy of the proposed subagreements and contracts shall be submitted to the Regional Administrator for review and pre-award approval as appropriate under 40 CFR Part 33. The submittal of the proposed subagreements and contracts shall include the procurement records required in Appendix A to 40 CFR Part 33.

C-540430-02
East View P.S.D.

6. Subagreements and Contracts (Cont'd)

- c. The grantee shall submit to the Regional Administrator the proposed subagreement and contract cost or price data on EPA Form 5700-41 or on a form which contains similar information.

7. Review

The grantee recognizes that approval of any part of this grant, change orders, grant increase amendments, subagreements, any specific items, or eligibility of any other costs will be subject to final review, including project officer review, audit review and final determination of the Grant Approving official.

8. Award Restrictions

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607 (a) of Public Law 96-74.

b. SPECIAL CONDITIONS (Continued)

PART IV

NOTE: The Agreement must be completed in duplicate and the Original returned to the Grants Administration Division for Headquarters awards and to the appropriate Grants Administrations Office for State and local awards within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA.

Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the recipient subsequent to the document being signed by the EPA Award Official which the Award Official determines to materially alter the Agreement shall void the Agreement.

OFFER AND ACCEPTANCE

The United States of America, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers assistance/amendment to the East View P.S.D.

for 75 % of all approved costs incurred up to and not exceeding \$ 1,318,500

for the support of approved budget period effort described in application (including all application modifications) C-540430-02-0 East View P.S.D. included herein by reference.

ISSUING OFFICE (Grants Administration Office)	AWARD APPROVAL OFFICE
ORGANIZATION/ADDRESS Environmental Protection Agency Grants Management Section (3PM32) Curtis Building, 6th & Walnut Streets Philadelphia, Pennsylvania 19106	ORGANIZATION/ADDRESS Environmental Protection Agency Water Management Division (3WM00) Curtis Building, 6th & Walnut Streets Philadelphia, Pennsylvania 19106

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE Peter N. Bibko Regional Administrator	DATE SEP 30 1982
-----------------------------	--	---------------------

This Agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter I, Subchapter B and of the provisions of this agreement (Parts I thru IV), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE Oct 12 1982
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TELEGRAPHIC MESSAGE

NAME OF AGENCY U.S. ENVIRONMENTAL PROTECTION AGENCY REGION III		PRECEDENCE ACTION: INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION 6840200	DATE PREPARED 5/23/84	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS	
FOR INFORMATION CALL			
NAME MAUREEN ESSENTHIER	PHONE NUMBER (215) 597-8399	<i>ME 5/23/84</i>	
THIS SPACE FOR USE OF COMMUNICATION UNIT			

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

TO: MR. VIRGIL SMITH, CHAIRMAN
 EAST VIEW PSD
 ROUTE 2, BOX 520
 CLARKSBURG, WEST VIRGINIA 26301

DEAR MR. SMITH:

YOU ARE HEREBY ADVISED THAT THE BIDDING PROCEDURES FOR CONTRACT "A" OF PROJECT C-540430-02 HAVE BEEN REVIEWED AND APPROVED. THE CONTRACT MAY NOW BE AWARDED TO THE LOW, RESPONSIVE BIDDER, TRIMBLE SERVICES, INC., AS INDICATED BY THE PROPOSAL YOU HAVE SUBMITTED.

YOUR REQUEST FOR A DEVIATION FROM 40 CFR 35.2212 HAS BEEN APPROVED AND CONSTRUCTION INITIATION MUST NOW OCCUR BY JUNE 15, 1984.

CERTAIN CONSTRUCTION ACTIVITIES HAVE BEEN ASSIGNED TO THE WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES AND THE U.S. CORPS OF ENGINEERS. YOU WILL BE CONTACTED BY REPRESENTATIVES OF THESE AGENCIES IN THE NEAR FUTURE.

SINCERELY YOURS,

for *Chetroy E Keller P.E*
 R. FENTON ROJDABUSH, CHIEF
 VIRGINIA/WEST VIRGINIA SECTION
 CONSTRUCTION GRANTS BRANCH

*PHONED IN
 11:00 AM
 5/23/84
 DM*

cc: Warren Means, DNR
 Wes King-COE
 George Blum-Cerrone & Vaughn ✓

3WM21:MEssenthier:dm:5/23/84:6537

3WM21 ESSENTHIER
 3WM21 ROUDABUSH *off*
ME 5/23/84 for 5/23/84

PAGE NO.	NO. OF PGS.

SECURITY CLASSIFICATION
MAY 25 1984



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION III

6TH AND WALNUT STREETS
PHILADELPHIA, PENNSYLVANIA 19106

JUN 12 1984

CERTIFIED MAIL

Re: C-540430-02
East View PSD

Mr. Virgil Smith, Chairman
East View PSD
Route 2, P.O. Box 520
Clarksburg, West Virginia 26301

Dear Mr. Smith:

You were advised by mailgram on May 23, 1984, that the bidding procedures for Contract Number A of the referenced project were approved and that the contract could be awarded to the low responsive bidder as indicated by the proposal you submitted.

In addition, EPA Form 5780-1B is approved with the following revisions:

<u>Item</u>	<u>For Grant Participation</u>
A. Construction	\$1,234,587 1/
B. Technical Services	187,884 2/
C. Legal and Fiscal	2,000
D. Administrative	500
E. Contingency	<u>61,729</u> 3/
F. Total	\$1,486,700

- 1/ Item 29 of Contract A is ineligible as per technical reviews.
- 2/ Technical Services were prorated at 92.1%.
- 3/ Adjusted contingency downward to maintain the total project cost in \$100 increments.

As the revised eligible project cost is \$1,486,700, the grant has been decreased with the concurrence of the West Virginia Department of Natural Resources to an amount not to exceed \$1,115,020. The grant is equivalent to 75% of the eligible project cost as allowed under the Clean Water Act. The original and one copy of the Assistance Amendment reflecting the decrease in Federal obligation are enclosed. Please execute the amendment and return the original, within twenty-one days of your receipt, to Mr. Frank Snock, Chief, Grants Management Section. The copy may be retained for your files.

RECEIVED
JUN 12 1984
ALLOTMENT

When the contract has been awarded, one executed copy of the construction agreement, performance and payment bonds, and the Notice-to-Proceed should be promptly submitted to this office, and one similar set forwarded to the West Virginia Department of Natural Resources. Payments will not be made by this office for construction until our receipt of these items.

The Assistance Agreement for the project has conditions which require the submission and approval of certain documents to satisfy regulatory requirements of the program and which are enforced through the grant payment process. In order to assure timely processing of payment requests, these documents must be submitted through the State Agency in advance of the payment milestone specified in the Assistance Agreement.

We are enclosing informational sheets outlining the procedures to be followed in making contract modifications and for submitting partial payment requests.

Sincerely yours,

Greene A. Jones, Director
Water Management Division

cc: Mr. Warren Means, WVDNR
Mr. Edgar Henry, WDA
Mr. Wesley King, COE
Cerrone & Vaughn ✓

U.S. ENVIRONMENTAL PROTECTION AGENCY
 EPA ASSISTANCE AGREEMENT/AMENDMENT
 PART I - ASSISTANCE NOTIFICATION INFORMATION

1. ASSISTANCE ID NO. C-540430-02-1
 2. LOG NUMBER Three-C-
 3. DATE OF AWARD JUN 12 1984
 4. MAILING DATE JUN 12 1984

5. AGREEMENT TYPE		6. PAYMENT METHOD					
Cooperative Agreement		<input type="checkbox"/> Advance		<input checked="" type="checkbox"/> Reimbursement		<input type="checkbox"/> Letter of Credit	
Grant Agreement		Send Payment Request To:				7. TYPE OF ACTION	
Assistance Amendment		X Grants Management Section				Augmentation - Decrease	
RECIPIENT ORGANIZATION	8. RECIPIENT East View PSD Route 2, Box 520 Clarksburg, West Virginia 26301			9. PAYEE East View PSD Route 2, Box 520 Clarksburg, West Virginia 26301			
	EIN NO.		CONGRESSIONAL DISTRICT 1		10. RECIPIENT TYPE Special Purpose District		
	11. PROJECT MANAGER AND TELEPHONE NO. Virgil Smith, Chairman 304/623-5611			12. CONSULTANT (WWT Construction Grants Only) Cerrone & Vaughn, Inc. 401 Main Street Wheeling, West Virginia 26003 304/232-555			
EPA CONTACT	13. ISSUING OFFICE (City/State) Philadelphia, Pennsylvania			14. EPA PROJECT/STATE OFFICER AND TELEPHONE NO. Fenton Roudabush, Chief West Virginia Section 215/597-9131			
	15. EPA CONGRESSIONAL LIAISON & TEL. NO. Patricia Gaskins 202/382-5184		16. STATE APPL ID (Cleaninghouse) WV 820727-074		17. FIELD OF SCIENCE N/A	18. PROJECT STEP (WWT C. Only) III	
19. STATUTORY AUTHORITY Clean Water Act, Title II			20. REGULATORY AUTHORITY 40 CFR Part 35		21. STEP 2 + 3 & STEP 3 (WWT Construction Only)		
					a. Treatment Level	N/A	
					b. Project Type	MOD	
					c. Treatment Process	N/A	
					d. Sludge Design	N/A	
22. PROJECT TITLE AND DESCRIPTION This amendment is based on an underrun on the estimated construction cost as shown on 5780-1B.							
23. PROJECT LOCATION (Areas Impacted by Project)							
City/Place East View		County Harrison		State W.Va.	Congressional District 1		
24. ASSISTANCE PROGRAM/CFDA Program No. & Title 66.418			25. PROJECT PERIOD 9/82 - 5/86		26. BUDGET PERIOD N/A		
27. COMMUNITY POPULATION (WWT CG Only) 1,700		28. TOTAL BUDGET PERIOD COST N/A		29. TOTAL PROJECT PERIOD COST \$1,486,700			
FUNDS		FORMER AWARD		THIS ACTION		AMENDED TOTAL	
30. EPA Amount This Action		1,318,500		-203,480		1,115,020	
31. EPA In-Kind Amount							
32. Unexpended Prior Year Balance							
33. Other Federal Funds							
34. Recipient Contribution							
35. State Contribution							
36. Local Contribution							
37. Other Contribution							
38. Allowable Project Cost		1,758,000		-271,300		1,486,700	
30. FISCAL	Program Element	FY	Appropriation	Doc. Control No.	Account Number	Object Class	Obligation/Deoblig. Amou
	G7DW80	77TN	68X0103.8		FG7D036006	41.11	-\$203,480

TABLE A - OBJECT CLASS CATEGORY
(Non-construction)

TOTAL APPROVED ALLOWABLE
BUDGET PERIOD COST

PERSONNEL	
FRINGE BENEFITS	
TRAVEL	
4. EQUIPMENT	
5. SUPPLIES	
6. CONTRACTUAL	
7. CONSTRUCTION	
8. OTHER	
9. TOTAL DIRECT CHARGES	
10. INDIRECT COSTS: RATE % BASE	
11. TOTAL (Share: Recipient _____% Federal _____%)	
12. TOTAL APPROVED ASSISTANCE AMOUNT	\$ N/A

TABLE B - PROGRAM ELEMENT CLASSIFICATION
(Non-construction)

1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12. TOTAL (Share: Recipient _____% Federal _____%)	
13. TOTAL APPROVED ASSISTANCE AMOUNT	\$ N/A

TABLE C - PROGRAM ELEMENT CLASSIFICATION
(Construction)

1. ADMINISTRATION EXPENSE	500
2. PRELIMINARY EXPENSE	
3. LAND STRUCTURES, RIGHT-OF-WAY	
4. ARCHITECTURAL ENGINEERING BASIC FEES	51,576
5. OTHER ARCHITECTURAL ENGINEERING FEES	24,867
6. PROJECT INSPECTION FEES	111,441
7. LAND DEVELOPMENT	
8. RELOCATION EXPENSES	
9. RELOCATION PAYMENTS TO INDIVIDUALS AND BUSINESSES	
10. DEMOLITION AND REMOVAL	
11. CONSTRUCTION AND PROJECT IMPROVEMENT	1,234,587
12. EQUIPMENT	
13. MISCELLANEOUS	2,000
14. TOTAL (Lines 1 thru 13)	
15. ESTIMATED INCOME (If applicable)	
16. NET PROJECT AMOUNT (Line 14 minus 15)	
17. LESS: INELIGIBLE EXCLUSIONS	61,729
18. ADD: CONTINGENCIES	
19 TOTAL (Share: Recipient 25 % Federal 75 %)	1,486,700
20. TOTAL APPROVED ASSISTANCE AMOUNT	\$ 1,115,020

PART III-AWARD CONDITIONS

GENERAL CONDITIONS

The recipient covenants and agrees that it will expeditiously initiate and timely complete the project work for which assistance has been awarded under this agreement, in accordance with all applicable provisions of 40 CFR Chapter I, Subpart B. The recipient warrants, represents, and agrees that it, and its contractors, subcontractors, employees and representatives, will comply with: (1) all applicable provisions of 40 CFR Chapter I, Subchapter B, INCLUDING BUT NOT LIMITED TO the provisions of Appendix A to 40 CFP Part 30, and (2) any special conditions set forth in this assistance agreement or any assistance amendment pursuant to 40 CFR 30.425.

b. SPECIAL CONDITIONS:

(For cooperative agreements include identification or summarization of EPA responsibilities that reflect or contribute to substantial involvement.)

- A. Part III, Special Conditions Number 1-d and 2, "Schedule of Grant Payments" and "Project Schedule Changes", are hereby deleted in their entirety and the following substituted in lieu thereof:

"1-d. Revised Schedule of Grant Payments

The grantee may submit requests for payment for allowable costs incurred in accordance with the following schedule:

<u>Payment No.</u>	<u>Date</u>	<u>Payment</u>	<u>Cumulative Amount</u> (not to be exceeded)
1	6/84	\$ 57,100	\$ 57,100
2	7/84	64,200	121,300
3	8/84	141,100	262,400
4	9/84	149,800	412,200
5	10/84	214,683	626,883
6	11/84	153,700	780,583
7	12/84	95,000	875,583
8	1/85	59,400	934,983
9	2/85	59,300	994,283
10	3/85	8,477	1,002,760
11	5/85	850	1,003,610
12	6/85	850	1,004,460
13	5/86	110,560	1,115,020

2. Project Schedule Changes

For any changes in the project which increase the cost, delay or accelerate the project or alter the project in other ways (40 CFR 35.2204), the grantee must receive a formal grant amendment from the Regional Administrator before implementing the changes. Of particular interest is any change in the building completion date as referenced in 40 CFR 35.2216 and the initiation of project operation date. The latter date is considered at the time of this grant to be 5/30/85. The grantee further agrees to provide the Regional Administrator, upon request, with a revised schedule of payment.

- B. Part III, Special Conditions is hereby amended by adding the following:

"9. Cost Increases

Cost Increases caused by initiation of construction after June 16, 1984 will not be eligible for Federal participation."

All other terms and conditions remain unchanged.

SPECIAL CONDITIONS (Continued)

PART IV

NOTE: The Agreement must be completed in duplicate and the Original returned to the Grants Administration Division for Headquarters awards and to the appropriate Grants Administrations Office for State and local awards within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA.

Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the recipient subsequent to the document being signed by the EPA Award Official which the Award Official determines to materially alter the Agreement shall void the Agreement.

OFFER AND ACCEPTANCE

The United States of America, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers ~~assistance~~/amendment to the East View PSD RECIPIENT ORGANIZATION
 for 75 % of all approved costs incurred up to and not exceeding \$ 1,115,020 ASSISTANCE AMOUNT
 for the support of approved budget period effort described in application (including all application modifications) C-540430-02 East View PSD DATE AND TITLE included herein by reference.

ISSUING OFFICE (Grants Administration Office)	AWARD APPROVAL OFFICE
ORGANIZATION/ADDRESS Environmental Protection Agency Grants Management Section (3PM32) Curtis Building, 6th & Walnut Streets Philadelphia, Pennsylvania 19106	ORGANIZATION/ADDRESS Environmental Protection Agency Water Management Division (3WM00) Curtis Building, 6th & Walnut Streets Philadelphia, Pennsylvania 19106

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL 	TYPED NAME AND TITLE Greene A. Jones, Director Water Management Division	DATE JUN 12 1984
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This Agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter I, Subchapter B and of the provisions of this agreement (Parts I thru IV), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
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STATE OF WEST VIRGINIA
WATER DEVELOPMENT AUTHORITY
1201 DUNBAR AVENUE
DUNBAR, WV 25064

(304) 348-3612

May 11, 1984

CERTIFIED MAIL

Mr. Virgil R. Smith, Chairman
East View Public Service District
Route 2, Box 520
Clarksburg, WV 26301

The West Virginia Water Development Authority (WDA) is pleased to make a hardship grant available to the East View PSD. The WDA hardship grant will normally be paid in a manner similar to EPA grant payments which are based essentially on completion of work. However, hardship grant funds may be made available at the time of repayment of the WDA loan(s) by the entity.

If for some reason your project does not proceed into construction within the prescribed time, the hardship grant may be terminated. (See special provisions in grant agreement.) In this case, your project would be held in abeyance awaiting future activity.

The WDA hardship grant is to be for an amount not to exceed \$306,354 and is subject to the conditions set forth in the grant agreement and Administrative Regulations. If you desire to participate in the hardship grant program, please sign the enclosed agreement and forward the original and first copy to this office. Also, a copy of the resolution designating the signee of the agreement must be returned.

The WDA's hardship grant agreement for \$225,156, dated March 30, 1984, is now void. Please return all three copies to this office for disposition.

A handwritten signature in cursive script, reading "Edgar N. Henry".

EDGAR N. HENRY, PE - DIRECTOR

c Senators
Delegates
Water Resources Division
Regional Planning Council
Economic & Community Development
Environmental Health Services
Consulting Engineer

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

HARDSHIP GRANT AGREEMENT

1. GRANT RECIPIENT (NAME AND ADDRESS): COUNTY: Harrison
East View Public Service District
Route 2, Box 520
Clarksburg, WV 26301

2. GRANT RECIPIENT REPRESENTATIVE (NAME, TITLE AND ADDRESS):
Mr. Virgil R. Smith, Chairman
East View Public Service District
Route 2, Box 520
Clarksburg, WV 26301

3. GRANT PAYEE (NAME AND ADDRESS):
East View Public Service District
Route 2, Box 520
Clarksburg, WV 26301

4. APPROVED AMOUNT OF GRANT: \$ 306,354.00

5. PAYMENTS WILL USUALLY BE INITIATED BY THE WDA UPON RECEIPT OF A COPY OF THE EPA APPROVED GRANT PAYMENT REQUEST IN AMOUNTS PROPORTIONATELY SIMILAR TO PAYMENTS MADE BY THE EPA.

ALL GRANTS ARE SUBJECT TO STATE APPROPRIATION AND AVAILABILITY OF FUNDS. CONTRACT SHALL EXTEND UNTIL JUNE 30, 1984, AND IS SUBJECT TO RENEWAL.

6. TYPE OF ACTIVITY FOR WHICH GRANT FUNDS ARE TO BE USED:
Construction of a wastewater collection system.

7. TOTAL COSTS	\$ <u>1,758,000</u>
ELIGIBLE COSTS	\$ <u>1,758,000</u>
FEDERAL (EPA) GRANT AMOUNT	\$ <u>1,318,500</u>
STATE (WDA) HARDSHIP GRANT AMOUNT	\$ <u>306,354</u>

8. GRANT OFFER AND ACCEPTANCE:

THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY HEREBY OFFERS A HARDSHIP GRANT TO East View PSD, SUCH GRANT NOT TO EXCEED \$ 306,354.00 FOR SUPPORT OF COSTS DESCRIBED IN THIS GRANT AGREEMENT AND ITS APPLICATION WHICH IS HEREBY MADE A PART OF THIS AGREEMENT.

REPAYMENT OF LOANS. THE GRANT RECIPIENT AGREES TO PROVIDE IMMEDIATE PAYMENT IN FULL OF ANY LOANS AND SERVICE CHARGES DUE THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY IN ACCORDANCE WITH REGULATIONS OF THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY.

TERMINATION. THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY RESERVES THE RIGHT TO TERMINATE THIS AGREEMENT UPON GIVING THE RECIPIENT ORGANIZATION NOT LESS THAN SIXTY (60) DAYS PRIOR WRITTEN NOTICE. THE RECIPIENT ORGANIZATION MAY TERMINATE THIS AGREEMENT BY GIVING THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY SIXTY (60) DAYS PRIOR WRITTEN NOTICE. IN THE EVENT SUCH AGREEMENT IS TERMINATED BY THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY PURSUANT TO, AND NOT IN BREACH OF, THE PROVISIONS OF SUCH AGREEMENT, OR BY SUBSEQUENT AGREEMENT OF THE PARTIES, OR IN THE EVENT SUCH AGREEMENT IS TERMINATED BY THE APPLICANT WHETHER OR NOT IN BREACH OF THIS AGREEMENT, THE STATE GRANT WILL BE IMMEDIATELY WITHDRAWN.

SPECIAL PROVISIONS: East View PSD AGREES TO THE FOLLOWING:

DURING THE CONSTRUCTION OF ITS SEWER FACILITY, THE GRANT RECIPIENT WILL PROVIDE AND MAINTAIN COMPETENT AND ADEQUATE ENGINEERING AND OVERSEEING SERVICES SATISFACTORY TO THE AUTHORITY COVERING THE SUPERVISION AND INSPECTION OF THE DEVELOPMENT AND CONSTRUCTION OF THE PROJECT AND BEARING THE RESPONSIBILITY FOR ENSURING THAT CONSTRUCTION CONFORMS WITH THE APPROVED FINANCING ARRANGEMENTS, SURVEYS, PLANS, PROFILES, CROSS SECTIONS AND SPECIFICATIONS AND CERTIFYING TO THE AUTHORITY, DURING AND AT COMPLETION OF CONSTRUCTION, THAT FINANCING AND CONSTRUCTION ARE IN ACCORDANCE WITH APPROVED FINANCIAL ARRANGEMENTS, SURVEYS, PLANS, PROFILES, CROSS SECTIONS AND SPECIFICATIONS OR APPROVED AMENDMENTS THERETO.

FINANCING OF THE SEWER PROJECT, INCLUDING THE ACQUISITION AND DOCUMENTATION OF ALL FUNDING AS WELL AS INITIATION OF CONSTRUCTION OF THE PROJECT, MUST TAKE PLACE WITHIN 120 DAYS OF THE DATE OF ISSUANCE OF THIS GRANT. FAILURE TO COMPLY WITH THIS REQUIREMENT WILL RESULT IN AUTOMATIC WITHDRAWAL OF THIS GRANT.

GENERAL. THIS GRANT AGREEMENT IS SUBJECT TO ALL STATUTORY PROVISIONS, ALL GRANT REGULATIONS OF THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY AND ALL PROVISIONS OF THIS AGREEMENT AND FURTHER IS SUBJECT TO THE CONDITIONS SET FORTH IN GRANT AGREEMENT NO. C-540430-02 CONSUMMATED BETWEEN THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY AND East View PSD

OFFERED ON September 30, 1982
ACCEPTED ON October 12, 1982 AND

THE RECIPIENT ORGANIZATION AGREES THAT FUNDS AWARDED UNDER THIS AGREEMENT WILL BE USED SOLELY FOR THE PURPOSES OF THE PROJECT AS APPROVED.

9. NAME AND TITLE OF AWARD OFFICIAL: Edgar N. Henry
TITLE: Director
SIGNATURE: *Edgar N. Henry*
DATE: May 11, 1984

STATE OF WEST VIRGINIA, COUNTY OF KANAWHA.

TAKEN, SUBSCRIBED AND SWORN TO BEFORE ME THIS 11th DAY OF May,
1984.

NOTARY: *Barbara Butcher Meadows*

COMMISSION EXPIRES: January 17, 1994

10. NAME AND TITLE OF RECIPIENT
ORGANIZATION REPRESENTATIVE: Mr. Virgil R. Smith
TITLE: Chairman, East View PSD
SIGNATURE: *Virgil R. Smith*
DATE: May 14, 1984

STATE OF WEST VIRGINIA, COUNTY OF Harrison.

TAKEN, SUBSCRIBED AND SWORN TO BEFORE ME THIS 14th DAY OF May,
1984.

NOTARY: *Marni L. Powell*

COMMISSION EXPIRES: August 23, 1984

NOTE: THE GRANT AGREEMENT MUST BE COMPLETED IN DUPLICATE AND RETURNED WITHIN 30 DAYS AFTER RECEIPT OR AS PROVIDED IN ANY TIME EXTENSION ARRANGED WITH THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY. RECEIPT OF WRITTEN REFUSAL OR FAILURE TO RETURN WITHIN THE 30-DAY PERIOD WILL RESULT IN TERMINATION OF THE GRANT OFFER. NO AMENDMENTS MAY BE MADE TO THE AGREEMENT SUBSEQUENT TO SIGNING BY THE AUTHORITY.

ALL CORRESPONDENCE CONCERNING THIS OFFER AND AGREEMENT SHOULD BE ADDRESSED TO WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, 1201 DUNBAR AVENUE, DUNBAR, WV 25064.

EAST VIEW PUBLIC SERVICE DISTRICT

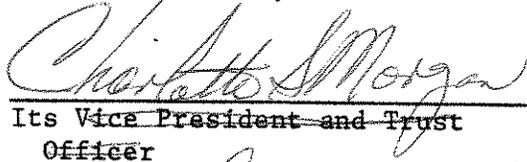
Sewer Revenue Bonds,
Series 1986

ACCEPTANCE OF DUTIES OF REGISTRAR

KANAWHA VALLEY BANK, N.A., a national banking association with principal office in the City of Charleston, West Virginia, hereby accepts appointment as Registrar in connection with East View Public Service District Sewer Revenue Bonds, Series 1986, dated June 13, 1986, in the aggregate principal amount of \$340,000 and agrees to perform all duties of Registrar in connection with such Bonds, all as set forth in the Local Act authorizing issuance of the Bonds.

KANAWHA VALLEY BANK, N.A.

By


Its Vice President and Trust
Officer

ASSIST. CORPORATE TRUST
Officer

06/10/86
EVSEW1-L



EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1986

ACCEPTANCE OF DUTIES OF DEPOSITORY BANK

COMMUNITY BANK & TRUST, NATIONAL ASSOCIATION, a national banking association with principal office in the City of Fairmont, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Resolution of East View Public Service District adopted June 13, 1986, authorizing issuance of East View Public Service District Sewer Revenue Bonds, Series 1986, dated June 13, 1986, in the aggregate principal amount of \$340,000 (the "Governmental Agency Bonds") and agrees to perform all duties of Depository Bank in connection with such Governmental Agency Bonds, all as set forth in said Resolution.

COMMUNITY BANK & TRUST, NATIONAL
ASSOCIATION

By

Its

06/06/86
EVSEW1-M



EAST VIEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1986

REGISTRATION OF BONDS

ASSISTANT CORPORATE

I, CHARLOTTE S. MORGAN, ~~Vice President~~ and Trust Officer *en* of Kanawha Valley Bank, N.A., as Registrar under the Local Act and Registrar's Agreement providing for the \$340,000 aggregate principal amount of Sewer Revenue Bonds, Series 1986 of East View Public Service District (the "Governmental Agency"), hereby certify that on the 13th day of June, 1986, the single fully registered Bond of the Governmental Agency in the principal amount of \$340,000 designated "Sewer Revenue Bond, Series 1986," numbered R-1, and dated on the date hereof was registered as to principal and interest in the name of "West Virginia Water Development Authority" in the books of the Governmental Agency kept for that purpose at our office, by a duly authorized officer on behalf of the Kanawha Valley Bank, N.A., as Registrar.

WITNESS my signature as of this 13th day of June, 1986.

KANAWHA VALLEY BANK, N.A.

By *Charlotte S. Morgan*

~~Its Vice President and Trust
Officer~~

*ASSIST. CORPORATE TRUST
OFFICER*

06/11/86
EVSEW1-N

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 13th day of June, 1986, by and between EAST VIEW PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia (the "Governmental Agency"), and KANAWHA VALLEY BANK, N.A., a national banking association (the "Registrar").

WHEREAS, the Governmental Agency has, contemporaneously with the execution hereof, issued and sold its \$340,000 aggregate principal amount of Sewer Revenue Bonds, Series 1986 in fully registered form (the "Governmental Agency Bonds"), pursuant to a Bond Resolution and a Supplemental Bond Resolution both adopted June 11, 1986 (collectively, the "Local Act");

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

WHEREAS, the Local Act provides for an appointment by the Governmental Agency of a Registrar for the Governmental Agency Bonds; and

WHEREAS, the Governmental Agency desires to appoint, and by the Local Act and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Local Act and to take certain other actions hereinafter set forth;

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

1. Upon the execution of this Registrar's Agreement by the Governmental Agency and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Governmental Agency Bonds, all as set forth in the Local Act, such duties including, among other things, the duties to authenticate, register and deliver Governmental Agency Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Governmental Agency Bonds from federal income taxation, in

accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Governmental Agency advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Governmental Agency with appropriate records of all transactions carried out by it as Registrar and to furnish the Governmental Agency with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Governmental Agency may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Governmental Agency.

4. The Governmental Agency hereby agrees to indemnify the Registrar against any loss, liability or expense incurred by the Registrar other than liability arising by reason of the bad faith, negligence or willful misconduct of the Registrar, and the Registrar hereby agrees to indemnify the Governmental Agency against any loss, liability or expense incurred by the Governmental Agency by reason of the bad faith, negligence or willful misconduct of the Registrar. Such expense, in either case, shall include the costs and expenses of defending against any claim or liability. Neither the Governmental Agency nor the Registrar shall be liable under or held in breach of this Registrar's Agreement if prevented, hindered or delayed in the performance or observance of any provision of this Registrar's Agreement by reason of any act of God, strikes, lockouts, riots, acts of war, epidemics, government action or regulation imposed after the fact, judicial order, earthquakes, floods, fires or other causes beyond their reasonable control.

5. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Governmental Agency hereby agrees to pay to the Registrar, from time to time, the compensation for services rendered as provided in the annexed schedule and reimbursement for reasonable expenses incurred in connection therewith.

6. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Local Act with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Local Act, the terms of the Local Act shall govern.

7. The Governmental Agency and the Registrar each warrants and represents that it is duly authorized and empowered to

execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Local Act will violate any order, decree or agreement to which it is a party or by which it is bound.

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

ISSUER: East View Public Service District
Route 2, Box 250
Clarksburg, West Virginia 26301

AGENT: Kanawha Valley Bank, N.A.
One Valley Square
Post Office Box 1793
Charleston, West Virginia 25301
Attention: Corporate Trust Department

9. The Registrar is hereby requested and authorized to authenticate and deliver the Governmental Agency Bonds in accordance with the Local Act.

IN WITNESS WHEREOF, EAST VIEW PUBLIC SERVICE DISTRICT and KANAWHA VALLEY BANK, N.A. have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

EAST VIEW PUBLIC SERVICE DISTRICT

By *Ralph D. Dodd*
Chairman

KANAWHA VALLEY BANK, N.A.

By *Charlotte Morgan*
~~Its Vice President and Trust Officer~~
ASSIST. CORPORATE TRUST OFFICER

06/11/86
EVSEW1-0

EXHIBIT A



Kanawha Valley Bank NA

One Valley Square • P.O. Box 1793 • Charleston, West Virginia 25326 • Phone (304) 348-7000

June 20, 1986
"Our 120th Year"

Chairman
East View Public
Service District

Re: East View Public Service District -
\$340,000 Revenue Bonds, 1986 Series
A

Dear Sir:

Kanawha Valley Bank's fee to serve as Authenticating Agent and Registrar for the above referenced issue is \$500.

Please remit to the attention of the undersigned.

Very truly yours,

Charlotte S. Morgan
Assistant Corporate Trust Officer
ONE FINANCIAL PLACE

CSM/lis



ASSIGNMENT SEPARATE FROM BOND

FOR VALUE RECEIVED, the West Virginia Water Development Authority hereby sells, assigns and transfers unto Kanawha Valley Bank, N.A., Charleston, West Virginia, the Sewer Revenue Bond, Series 1986 of East View Public Service District in the principal amount of \$340,000, No. R-1, standing in the name of West Virginia Water Development Authority on the books of said Governmental Agency.

Dated: June 13, 1986.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY



Authorized Representative

06/10/86
EVSEW1-P