GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

Date of Closing: October 18, 2013

JACKSONKELLY[SM]
ATTORNEYS AT LAW PLLC

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TRANSCRIPT OF PROCEEDINGS

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	I. Organizational Documents	
1.1	Certified copies of Chapter 16, Article 13A and Chapter 22C, Article 1 of the Code of West Virginia, 1931, as amended.	1
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State of West Virginia
WATER DEVELOPMENT AUTHORITY
1009 Bullitt Street, Charleston, WV 25301
(304)414-6500 – (304)414-0865 (Fax)
Internet: www.wvwda.org – Email: contact@wvwda.org

Date 10/17/13 Time 1:00 LGA Greenbrier PSD #1 Program WDA

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
Sheila Miller	WDA	304-414-6500	304-414-0865	smiller@wvwda.org
Shane Gee	Jack-Kelly PLLC	304 340 1318	304 340 1272	sgee@jackkelly.com
Mark Kauffelt	WDA/ KauffeltKauffelt	304-345-1272	304-345-1280	MKAUFFELT@WVDSL.com

The Authority requests that they following information concerning the individual who will be responsible for sending Debt Service Payments to the Municipal Bond Commission be provided. (If that individual is in attendance, he/she should also sign above.) Please Print:

Name Lisa Bennett Telephone 304, 996, 2641 E-Mail greenbrierpsd1@frontier.com

Address 9035 Seneca Trail, Ronceverte, WV 24970

REMINDER: As a participant in this program, the Local Governmental Agency (LGA) agrees and is required to submit annually to the WDA a copy of its audited financial statements and a copy of its adopted budget. Also, pursuant to the Loan Agreement and the Non-Arbitrage Certificate (both of which are contained in the bond transcript) you are to provide annually to the WDA a rebate calculation certificate or an exception opinion showing whether a rebate amount is due to the US Government under arbitrage requirements in Section 148(f) of the US Internal Revenue Code 1986 as amended.

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 22C, ARTICLE 1 OF THE WEST VIRGINIA CODE, AND CHAPTER 22C, ARTICLE 1 OF THE 2013 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on

October 8, 2013

Natalie E Tennant

Secretary of State

ARTICLE 1

WATER DEVELOPMENT AUTHORITY

Section

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22C-1-23. Same—Acquisition under subdivision (10), section six of this article; property of public utilities and common carriers; relocation, restoration, etc., of highways and public utility facilities.
22C-1-24. Financial interest in contracts prohibited; penalty.
22C-1-25. Meetings and records of authority to be kept public.
22C-1-26. Liberal construction of article.
22C-1-27. Authorized limit on borrowing.

§ 22C-1-1. Short title

This article shall be known and cited as the "Water Development Authority Act."

Acts 1994, c. 61.

Cross References

Environmental protection division, allocation of appropriations and effect on personnel, see § 22-1-10.

Administrative Code References

Water Development Authority rules, see W. Va. Code St. R. § 44-1-1 et seq.

United States Code Annotated

Grants to states, water resources planning, see 42 U.S.C.A. § 1962c et seq.
River basin commissions, see 42 U.S.C.A. § 1962b et seq.
Water resources planning, see 42 U.S.C.A. § 1962 et seq.

§ 22C-1-2. Declaration of policy and responsibility; purpose and intent of article; findings

It is hereby declared to be the public policy of the state of West Virginia and a responsibility of the state of West Virginia, through the establishment, funding, operation and maintenance of water development projects, to maintain, preserve, protect, conserve and in all instances possible to improve the purity and quality of water within the state in order to: (1) Protect and improve public health; (2) assure the fullest use and enjoyment of such water by the public; (3) provide suitable environment for the propagation and protection of animal, bird, fish, aquatic and plant life, all of which are essential to the health and well-being of the public; and (4) provide water of the necessary quality and in the amount needed for the development, maintenance and expansion of, and to attract service industries and businesses, agriculture, mining, manufacturing and other types of businesses and industries.

To assist in the preservation, protection, improvement and management of the purity and quality of the waters of this state, to prevent or abate pollution of water resources and to promote the health and welfare of citizens of this state, it is the purpose and intent of the Legislature in enacting this article to provide for the necessary, dependable, effective and efficient purification of water; the disposal of liquid and solid wastes harmful to the public health and safety removed from such water; to improve water and stream quality; and to assist and cooperate with governmental agencies in achieving all of the purposes set forth in this section.

The Legislature finds and hereby declares that the responsibility of the state as outlined above cannot be effectively met without the establishment, funding, operation and maintenance of water development projects as provided for in this article.

Acts 1994, c. 61.

Library References

Environmental Law ⇐165.
Waters and Water Courses ⇐182.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment § 172.
C.J.S. Waters §§ 483, 505.

§ 22C-1-3. Definitions

As used in this article, unless the context clearly requires a different meaning:

(1) "Authority" means the water development authority provided for in section four of this article, the duties, powers, responsibilities and functions of which are specified in this article.

(2) "Beneficial use" means a use of water by a person or by the general public that is consistent with the public interest, health and welfare in utilizing the water resources of this state, including, but not limited to, domestic, agricultural, irrigation, industrial, manufacturing, mining, power, public, sanitary, fish and wildlife, state, county, municipal, navigational, recreational, aesthetic and scenic use.

(3) "Board" means the water development authority board provided for in section four of this article, which shall manage and control the water development authority.

(4) "Bond" or "water development revenue bond" means a revenue bond or note issued by the water development authority to effect the intents and purposes of this article.

(5) "Construction" includes reconstruction, enlargement, improvement and providing furnishings or equipment.

(6) "Cost" means, as applied to water development projects, the cost of their acquisition and construction; the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights and interests required by the authority for such acquisition and construction; the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved; the cost of acquiring or constructing and equipping a principal office and suboffices of the authority; the cost of diverting highways, interchange of highways; access roads to private property, including the cost of land or easements therefor; the cost of all machinery, furnishings, and equipment; all financing charges, and interest prior to and during construction and for no more than eighteen months after completion of construction; the cost of all engineering services and all expenses of research and development with respect to public water or wastewater facilities; the cost of all legal services and expenses; the cost of all plans, specifications, surveys and estimates of cost and revenues; all working capital and other expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing any such project; all administrative expenses and such other expenses as may be necessary or incident to the acquisition or construction of the project; the financing of such acquisition or construction, including the amount authorized in the resolution of the authority providing for the issuance of water development revenue bonds to be paid into any special funds from the proceeds of such bonds; and the financing of the placing of any such project in operation. Any obligation or expenses incurred by any governmental agency, with the approval of the authority, for surveys, borings, preparation of plans and specifications and

other engineering services in connection with the acquisition or construction of a project are a part of the cost of such project and shall be reimbursed out of the proceeds of loans or water development revenue bonds as authorized by the provisions of this article.

(7) "Establishment" means an industrial establishment, mill, factory, tannery, paper or pulp mill, mine, colliery, breaker or mineral processing operation, quarry, refinery, well and each and every industry or plant or works or activity in the operation or process of which industrial wastes or other wastes are produced.

(8) "Governmental agency" means the state government or any agency, department, division or unit thereof; counties; municipalities; watershed improvement districts; soil conservation districts; sanitary districts; public service districts; drainage districts; regional governmental authorities and any other governmental agency, entity, political subdivision, public corporation or agency having the authority to acquire, construct or operate public water or wastewater facilities; the United States government or any agency, department, division or unit thereof; and any agency, commission or authority established pursuant to an interstate compact or agreement.

(9) "Industrial wastes" means any liquid, gaseous, solid or other waste substance, or any combination thereof, resulting from or incidental to any process of industry, manufacturing, trade or business, or from or incidental to the development, processing or recovery of any natural resources; and the admixture with such industrial wastes of sewage or other wastes, as defined in this section, are also industrial wastes.

(10) "Other wastes" means garbage, refuse, decayed wood, sawdust, shavings, bark and other wood debris and residues, sand, lime, cinders, ashes, offal, night soil, silt, oil, tar, dyestuffs, acids, chemicals, and all other materials or substances not sewage or industrial wastes which may cause or might reasonably be expected to cause or to contribute to the pollution of any of the waters of this state.

(11) "Owner" includes all persons, copartnerships or governmental agencies having any title or interest in any property rights, easements and interests authorized to be acquired by this article.

(12) "Person" means any public or private corporation, institution, association, firm or company organized or existing under the laws of this or any other state or country; the United States or the state of West Virginia; any federal or state governmental agency; political subdivision; county commission; municipality; industry; sanitary district; public service district; drainage district; soil conservation district; watershed improvement district; partnership; trust; estate; person or individual; group of persons or individuals acting individually or as a group or any other legal entity whatever.

(13) "Pollution" means (a) the discharge, release, escape, deposit or disposition, directly or indirectly, of treated or untreated sewage, industrial wastes, or other wastes, of whatever kind or character, in or near any waters of the state, in such condition, manner or quantity, as does, will, or is likely to (1)

contaminate or substantially contribute to the contamination of any of such waters, or (2) alter or substantially contribute to the alteration of the physical, chemical or biological properties of any of such waters, if such contamination or alteration, or the resulting contamination or alteration where a person only contributes thereto, is to such an extent as to make any of such waters (i) directly or indirectly harmful, detrimental or injurious to the public health, safety and welfare, or (ii) directly or indirectly detrimental to existing animal, bird, fish, aquatic or plant life, or (iii) unsuitable for present or future domestic, commercial, industrial, agricultural, recreational, scenic or other legitimate uses; and also means (b) the discharge, release, escape, deposit, or disposition, directly or indirectly, of treated or untreated sewage, industrial wastes or other wastes, of whatever kind or character, in or near any waters of the state in such condition, manner or quantity, as does, will, or is likely to reduce the quality of the waters of the state below the standards established therefor by the United States or any department, agency, board or commission of this state authorized to establish such standards.

(14) "Project" or "water development project" means any public water or wastewater facility, the acquisition or construction of which is authorized, in whole or in part, by the water development authority or the acquisition or construction of which is financed, in whole or in part, from funds made available by grant or loan by, or through, the authority as provided in this article, including facilities, the acquisition or construction of which is authorized, in whole or in part, by the water development authority or the acquisition or construction of which is financed, in whole or in part, from funds made available by grant or loan by, or through, the authority as provided in this article, including all buildings and facilities which the authority deems necessary for the operation of the project, together with all property, rights, easements and interest which may be required for the operation of the project, but excluding all buildings and facilities used to produce electricity other than electricity for consumption by the authority in the operation and maintenance of the project.

(15) "Public roads" mean all public highways, roads and streets in this state, whether maintained by the state, county, municipality or other political subdivision.

(16) "Public utility facilities" means public utility plants or installations and includes tracks, pipes, mains, conduits, cables, wires, towers, poles and other equipment and appliances of any public utility.

(17) "Revenue" means any money or thing of value collected by, or paid to, the water development authority as rent, use or service fee or charge for use of, or in connection with, any water development project, or as principal of or interest, charges or other fees on loans, or any other collections on loans made by the water development authority to governmental agencies to finance, in whole or in part, the acquisition or construction of any water development project or projects, or other money or property which is received and may be expended for or pledged as revenues pursuant to this article.

(18) "Sewage" means water-carried human or animal wastes from residences, buildings, industrial establishments or other places, together with such groundwater infiltration and surface waters as may be present.

(19) "Water resources," "water" or "waters" means any and all water on or beneath the surface of the ground, whether percolating, standing, diffused or flowing, wholly or partially within this state, or bordering this state and within its jurisdiction, and includes, without limiting the generality of the foregoing, natural or artificial lakes, rivers, streams, creeks, branches, brooks, ponds (except farm ponds, industrial settling basins and ponds and water treatment facilities), impounding reservoirs, springs, wells and watercourses.

(20) "Wastewater" means any water containing sewage, industrial wastes, or other wastes or contaminants derived from the prior use of such water, and includes, without limiting the generality of the foregoing, surface water of the type storm sewers are designed to collect and dispose of.

(21) "Wastewater facilities" means facilities for the purpose of treating, neutralizing, disposing of, stabilizing, cooling, segregating or holding wastewater, including, without limiting the generality of the foregoing, facilities for the treatment and disposal of sewage, industrial wastes, or other wastes, wastewater, and the residue thereof; facilities for the temporary or permanent impoundment of wastewater, both surface and underground; and sanitary sewers or other collection systems, whether on the surface or underground, designed to transport wastewater together with the equipment and furnishings thereof and their appurtenances and systems, whether on the surface or underground, including force mains and pumping facilities therefor.

(22) "Water facility" means all facilities, land and equipment used for the collection of water, both surface and underground, transportation of water, treatment of water and distribution of water all for the purpose of providing potable, sanitary water suitable for human consumption and use.

Acts 1994, c. 61.

Notes of Decisions

Person 1

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1. Person

The state and its political subdivisions are within the meaning of the terms "person" and "another" as those terms are used in the statute prohibiting one from obtaining money, goods, labor, services and other things of value from another person under false pretenses; thus, the state and its political subdivisions may be the victim of that offense. Code, 61-3-24(a, d); Code, 61-3-24(a, b) (1993); Code, 61-3-24(a, b) (1987). State v. Zain, 1999, 528 S.E.2d 748, 207 W.Va. 54, certiorari denied 120 S.Ct. 1541, 529 U.S. 1042, 146 L.Ed.2d 354. False Pretenses ⇦ 1

§ 22C-1-4. Water development authority; water development board; organization of authority and board; appointment of board members; their term of office, compensation and expenses; director of authority; compensation

(a) The water development authority is continued. The authority is a governmental instrumentality of the state and a body corporate. The exercise by the authority of the powers conferred by this article and the carrying out of its

purposes and duties are essential governmental functions and for a public purpose.

(b) The authority is controlled, managed and operated by a seven-member board known as the water development board. The governor or designee, the secretary of the department of environmental protection or designee and the commissioner of the bureau for public health or designee are members ex officio of the board. Four members are appointed by the governor, by and with the advice and consent of the Senate, for six-year terms, which are staggered in accordance with the initial appointments under prior enactment of this section. In the event of a vacancy, appointments are filled in the same manner as the original appointment for the remainder of the unexpired term. A member continues to serve until the appointment and qualification of the successor. More than two appointed board members may not at any one time belong to the same political party. Appointed board members may be reappointed to serve additional terms.

(c) All members of the board shall be citizens of the state. Each appointed member of the board, before entering upon his or her duties, shall comply with the requirements of article one, chapter six of this code and give bond in the sum of twenty-five thousand dollars in the manner provided in article two of said chapter. The governor may remove any board member for cause as provided in article six of said chapter.

(d) The governor or designee serves as chair. The board annually elects one of its appointed members as vice chair and appoints a secretary-treasurer, who need not be a member of the board. Four members of the board is a quorum and the affirmative vote of four members is necessary for any action taken by vote of the board. A vacancy in the membership of the board does not impair the rights of a quorum by such vote to exercise all the rights and perform all the duties of the board and the authority. The person appointed as secretary-treasurer, including a board member if so appointed, shall give bond in the sum of fifty thousand dollars in the manner provided in article two, chapter six of this code.

(e) The governor or designee, the secretary of the department of environmental protection and the commissioner of the bureau for public health do not receive compensation for serving as board members. Each appointed member receives an annual salary of twelve thousand dollars, payable in monthly installments. Each of the seven board members is reimbursed for all reasonable and necessary expenses actually incurred in the performance of duties as a member of the board in a manner consistent with guidelines of the travel management office of the department of administration. All expenses incurred by the board are payable solely from funds of the authority or from funds appropriated for that purpose by the Legislature. Liability or obligation is not incurred by the authority beyond the extent to which moneys are available from funds of the authority or from such appropriations.

(f) There is a director of the authority appointed by the governor, with the advice and consent of the Senate, who serves at the governor's will and

pleasure. The director is responsible for managing and administering the daily functions of the authority and for performing other functions necessary to the effective operation of the authority. The compensation of the director is fixed annually by the board.

Acts 1994, c. 61; Acts 1995, c. 252, eff. 90 days after March 3, 1995; Acts 2001, c. 262, eff. April 14, 2001; Acts 2002, c. 267, eff. 90 days after March 9, 2002; Acts 2005, 1st Ex. Sess., c. 3, eff. Jan. 29, 2005.

Library References

Environmental Law ⇐216.
Waters and Water Courses ⇐18.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 368, 377 to 379.

§ 22C-1-5. Authority may construct, finance, maintain, etc., water development projects; loans to governmental agencies are subject to terms of loan agreements

To accomplish the public policies and purposes and to meet the responsibility of the state as set forth in this article, the water development authority may initiate, acquire, construct, maintain, repair and operate water development projects or cause the same to be operated pursuant to a lease, sublease or agreement with any person or governmental agency; may make loans and grants to governmental agencies for the acquisition or construction of water development projects by governmental agencies, which loans may include amounts to refinance debt issued for existing water development projects of the governmental agency when the refinancing is in conjunction with the financing for a new water development project regardless of the source of the financing for the new project: Provided, That the amount of the refinancing may not exceed fifty percent of the aggregate amount of the refinancing of an existing project and the financing of a new project; and may issue water development revenue bonds of this state, payable solely from revenues, to pay the cost of projects, or finance projects, in whole or in part, by loans to governmental agencies. A water development project shall not be undertaken unless it has been determined by the authority to be consistent with any applicable comprehensive plan of water management approved by the director of the division of environmental protection or in the process of preparation by the director and to be consistent with the standards set by the state environmental quality board, for the waters of the state affected thereby. Any resolution of the authority providing for acquiring or constructing projects or for making a loan or grant for projects shall include a finding by the authority that the determinations have been made. A loan agreement shall be entered into between the authority and each governmental agency to which a loan is made for the acquisition or construction of a water development project, which loan agreement shall include, without limitation, the following provisions:

(1) The cost of the project, the amount of the loan, the terms of repayment of the loan and the security therefor, which may include, in addition to the pledge of all revenues from the project after a reasonable allowance for operation and

maintenance expenses, a deed of trust or other appropriate security instrument creating a lien on the project;

(2) The specific purposes for which the proceeds of the loan shall be expended including the refinancing of existing water development project debt as provided above, the procedures as to the disbursement of loan proceeds and the duties and obligations imposed upon the governmental agency in regard to the construction or acquisition of the project;

(3) The agreement of the governmental agency to impose, collect, and, if required to repay the obligations of the governmental agency under the loan agreement, increase service charges from persons using the project, which service charges shall be pledged for the repayment of the loan together with all interest, fees and charges thereon and all other financial obligations of the governmental agency under the loan agreement; and

(4) The agreement of the governmental agency to comply with all applicable laws, rules and regulations issued by the authority or other state, federal and local bodies in regard to the construction, operation, maintenance and use of the project.

Acts 1994, c. 61; Acts 1995, c. 252, eff. 90 days after March 3, 1995.

Library References

Environmental Law ⇐216, 216.
Waters and Water Courses ⇐18, 18.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 368, 377 to 379.

Notes of Decisions

In general 1

1. In general

Statute authorizes Water Development Authority (WDA) to directly impose on public service district, which operates public utility as defined by separate statutory provision, in its own name and for its own benefit service charges determined by it to be necessary when public service district defaults on loan made by Water Development Authority to public service district; however, Water Development Authority's power to impose such service charges upon public service district which operates public utility is subject to regulatory review and approval of Public Service Commission (PSC) pursuant to separate statute. Code, 22C-1-7, 24-1-2, 24-2-1. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Waters And Water Courses ⇐ 183.5

§ 22C-1-6. Powers, duties and responsibilities of authority generally

The water development authority, has and may exercise all powers necessary or appropriate to carry out and effectuate its corporate purpose. The authority has the power and capacity to:

(1) Adopt, and from time to time, amend and repeal bylaws necessary and proper for the regulation of its affairs and the conduct of its business and rules to implement and make effective its powers and duties, such rules to be promulgated in accordance with the provisions of chapter twenty-nine-a of this code.

(2) Adopt an official seal.

(3) Maintain a principal office and, if necessary, regional suboffices at locations properly designated or provided.

(4) Sue and be sued in its own name and plead and be impleaded in its own name, and particularly to enforce the obligations and covenants made under sections nine, ten and sixteen of this article. Any actions against the authority shall be brought in the circuit court of Kanawha County in which the principal office of the authority shall be located.

(5) Make loans and grants to governmental agencies for the acquisition or construction of water development projects by any such governmental agency and, in accordance with the provisions of chapter twenty-nine-a of this code, adopt rules and procedures for making such loans and grants.

(6) Acquire, construct, reconstruct, enlarge, improve, furnish, equip, maintain, repair, operate, lease or rent to, or contract for operation by a governmental agency or person, water development projects, and, in accordance with the provisions of chapter twenty-nine-a of this code, adopt rules for the use of such projects.

(7) Make available the use or services of any water development project to one or more persons, one or more governmental agencies, or any combination thereof.

(8) Issue water development revenue bonds and notes and water development revenue refunding bonds of the state, payable solely from revenues as provided in section nine of this article unless the bonds are refunded by refunding bonds, for the purpose of paying all or any part of the cost of, or financing by loans to governmental agencies, one or more water development projects or parts thereof.

(9) Acquire by gift or purchase, hold and dispose of real and personal property in the exercise of its powers and the performance of its duties as set forth in this article.

(10) Acquire in the name of the state, by purchase or otherwise, on such terms and in such manner as it deems proper, or by the exercise of the right of eminent domain in the manner provided in chapter fifty-four of this code, such public or private lands, or parts thereof or rights therein, rights-of-way, property, rights, easements and interests it deems necessary for carrying out the provisions of this article, but excluding the acquisition by the exercise of the right of eminent domain of any public water or wastewater facilities operated under permits issued pursuant to the provisions of article eleven, chapter twenty-two of this code and owned by any person or governmental agency, and compensation shall be paid for public or private lands so taken.

(11) Make and enter into all contracts and agreements and execute all instruments necessary or incidental to the performance of its duties and the execution of its powers. When the cost under any such contract or agreement, other than compensation for personal services, involves an expenditure of more than two thousand dollars, the authority shall make a written contract with the lowest responsible bidder after public notice published as a Class II legal

advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, the publication area for such publication to be the county wherein the work is to be performed or which is affected by the contract, which notice shall state the general character of the work and the general character of the materials to be furnished, the place where plans and specifications therefor may be examined and the time and place of receiving bids, but a contract or lease for the operation of a water development project constructed and owned by the authority or an agreement for cooperation in the acquisition or construction of a water development project pursuant to section sixteen of this article is not subject to the foregoing requirements and the authority may enter into such contract or lease or such agreement pursuant to negotiation and upon such terms and conditions and for such period as it finds to be reasonable and proper under the circumstances and in the best interests of proper operation or of efficient acquisition or construction of such project. The authority may reject any and all bids. A bond with good and sufficient surety, approved by the authority, is required of all contractors in an amount equal to at least fifty percent of the contract price, conditioned upon the faithful performance of the contract.

(12) Employ managers, superintendents and other employees, who are covered by the state civil service system, and retain or contract with consulting engineers, financial consultants, accounting experts, architects, attorneys and such other consultants and independent contractors as are necessary in its judgment to carry out the provisions of this article, and fix the compensation or fees thereof. All expenses thereof are payable solely from the proceeds of water development revenue bonds or notes issued by the authority, from revenues and from funds appropriated for such purpose by the Legislature.

(13) Receive and accept from any federal agency, subject to the approval of the governor, grants for or in aid of the construction of any water development project or for research and development with respect to public water or wastewater facilities and receive and accept aid or contributions from any source of money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions are made.

(14) Engage in research and development with respect to public water or wastewater facilities.

(15) Purchase property coverage and liability insurance for any water development project and for the principal office and suboffices of the authority, insurance protecting the authority and its officers and employees against liability, if any, for damage to property or injury to or death of persons arising from its operations and any other insurance the authority may agree to provide under any resolution authorizing the issuance of water development revenue bonds or in any trust agreement securing the same.

(16) Charge, alter and collect rentals and other charges for the use or services of any water development project as provided in this article, and charge and collect reasonable interest, fees and charges in connection with the

making and servicing of loans to governmental agencies in the furtherance of the purposes of this article.

(17) Establish or increase reserves from moneys received or to be received by the authority to secure or to pay the principal of and interest on the bonds and notes issued by the authority pursuant to this article.

(18) Do all acts necessary and proper to carry out the powers expressly granted to the authority in this article.

Acts 1994, c. 61.

§ 22C-1-7. Power of authority to collect service charges and exercise other powers of governmental agencies in event of default; power to require governmental agencies to enforce their rights

In order to ensure that the public purposes to be served by the authority may be properly carried out and in order to assure the timely payment to the authority of all sums due and owing under loan agreements with governmental agencies, as referred to in section five of this article, notwithstanding any provision to the contrary elsewhere contained in this code, in event of any default by a governmental agency under such a loan agreement, the authority has, and may, at its option, exercise the following rights and remedies in addition to the rights and remedies conferred by law or pursuant to said loan agreement:

(1) The authority may directly impose, in its own name and for its own benefit service charges determined by it to be necessary under the circumstances upon all users of the water development project to be acquired or constructed pursuant to such loan agreement, and proceed directly to enforce and collect such service charges, together with all necessary costs of such enforcement and collection.

(2) The authority may exercise, in its own name or in the name of and as agent for the governmental agency, all of the rights, authority, powers and remedies of the governmental agency with respect to the water development project or which may be conferred upon the governmental agency by statute, rule, regulation or judicial decision, including, without limitation, all rights and remedies with respect to users of such water development project.

(3) The authority may, by civil action, mandamus or other judicial or administrative proceeding, compel performance by such governmental agency of all of the terms and conditions of such loan agreement including, without limitation, the adjustment and increase of service charges as required to repay the loan or otherwise satisfy the terms of such loan agreement, the enforcement and collection of such service charges and the enforcement by such governmental agency of all rights and remedies conferred by statute, rule, regulation or judicial decision.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
Waters and Water Courses ⇐183.5, 203.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581, 666 to 732.

Notes of Decisions

In general 1

1. In general

Statute authorizes Water Development Authority (WDA) to directly impose on public service district, which operates public utility as defined by separate statutory provision, in its own name and for its own benefit service charges determined by it to be necessary when public service district defaults on loan made by Water Development Authority to public service district; however, Water Development Authority's power to impose such service charges upon public service district which operates public utility is subject to regulatory review and approval of Public Service Commission (PSC) pursuant to separate statute. Code, 22C-1-7, 24-1-2, 24-2-1. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Waters And Water Courses ⇐ 183.5

§ 22C-1-8. Expenditure of funds for study and engineering of proposed projects

With the approval and the consent of the board, either the director of the division of environmental protection or the commissioner of the bureau of public health, or both of them, shall expend, out of any funds available for the purpose, such moneys as are necessary for the study of any proposed water development project and may use its engineering and other forces, including consulting engineers and sanitary engineers, for the purpose of effecting such study. All such expenses incurred by the director or commissioner prior to the issuance of water development revenue bonds or notes under this article shall be paid by the director or commissioner and charged to the appropriate water development project and the director and commissioner shall keep proper records and accounts, showing the amounts so charged. Upon the sale of water development revenue bonds or notes for a water development project, the funds so expended by the director or commissioner, with the approval of the authority, in connection with such project, shall be repaid to the division of environmental protection or bureau of public health from the proceeds of such bonds or notes.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-9. Authority empowered to issue water development revenue bonds, renewal notes and refunding bonds; requirements and manner of such issuance

The authority is hereby empowered to issue from time to time water development revenue bonds and notes of the state in such principal amounts as the authority deems necessary to pay the cost of or finance, in whole or in part, by loans to governmental agencies, one or more water development projects, but

the aggregate amount of all issues of bonds and notes outstanding at one time for all projects authorized hereunder shall not exceed that amount capable of being serviced by revenues received from such projects.

The authority may, from time to time, issue renewal notes, issue bonds to pay such notes and whenever it deems refunding expedient, refund any bonds by the issuance of water development revenue refunding bonds by the state pursuant to the provisions of section twenty of this article. Except as may otherwise be expressly provided in this article or by the authority, every issue of its bonds or notes are obligations of the authority payable out of the revenues and reserves created for such purposes by the authority, which are pledged for such payment, without preference or priority of the first bonds issued, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues. Such pledge is valid and binding from the time the pledge is made and the revenues so pledged and thereafter received by the authority are immediately subject to the lien of such pledge without any physical delivery thereof or further act and the lien of any such pledge is valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether such parties have notice thereof.

All such bonds and notes shall have and are hereby declared to have all the qualities of negotiable instruments.

The bonds and notes shall be authorized by resolution of the authority, bear such date and mature at such time, in the case of any such note or any renewals thereof not exceeding five years from the date of issue of such original note, and in the case of any such bond not exceeding fifty years from the date of issue, as such resolution may provide. The bonds and notes shall bear interest at such rate, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be payable in such medium of payment, at such place and be subject to such terms of redemption as the authority may authorize. The bonds and notes of the authority may be sold by the authority, at public or private sale, at or not less than the price the authority determines. The bonds and notes shall be executed by the chair and vice-chair of the authority, both of whom may use facsimile signatures. The official seal of the authority or a facsimile thereof shall be affixed thereto or printed thereon and attested, manually or by facsimile signature, by the secretary-treasurer of the authority, and any coupons attached thereto shall bear the signature or facsimile signature of the chair of the authority. In case any officer whose signature, or a facsimile of whose signature, appears on any bonds, notes or coupons ceases to be such officer before delivery of such bonds or notes, such signature or facsimile is nevertheless sufficient for all purposes the same as if he or she had remained in office until such delivery and in case the seal of the authority has been changed after a facsimile has been imprinted on such bonds or notes such facsimile seal will continue to be sufficient for all purposes.

Any resolution authorizing any bonds or notes or any issue thereof may contain provisions (subject to such agreements with bondholders or noteholders as may then exist, which provisions shall be a part of the contract with the

holders thereof) as to pledging all or any part of the revenues of the authority to secure the payment of the bonds or notes or of any issue thereof; the use and disposition of revenues of the authority; a covenant to fix, alter and collect rentals and other charges so that pledged revenues will be sufficient to pay the costs of operation, maintenance and repairs, pay principal of and interest on bonds or notes secured by the pledge of such revenues and provide such reserves as may be required by the applicable resolution or trust agreement; the setting aside of reserve funds, sinking funds or replacement and improvement funds and the regulation and disposition thereof; the crediting of the proceeds of the sale of bonds or notes to and among the funds referred to or provided for in the resolution authorizing the issuance of the bonds or notes; the use, lease, sale or other disposition of any water development project or any other assets of the authority; limitations on the purpose to which the proceeds of sale of bonds or notes may be applied and pledging such proceeds to secure the payment of the bonds or notes or of any issue thereof; notes issued in anticipation of the issuance of bonds, the agreement of the authority to do all things necessary for the authorization, issuance and sale of such bonds in such amounts as may be necessary for the timely retirement of such notes; limitations on the issuance of additional bonds or notes; the terms upon which additional bonds or notes may be issued and secured; the refunding of outstanding bonds or notes; the procedure, if any, by which the terms of any contract with bondholders or noteholders may be amended or abrogated, the amount of bonds or notes the holders of which must consent thereto and the manner in which such consent may be given; limitations on the amount of moneys to be expended by the authority for operating, administrative or other expenses of the authority; securing any bonds or notes by a trust agreement; and any other matters, of like or different character, which in any way affect the security or protection of the bonds or notes.

In the event that the sum of all reserves pledged to the payment of such bonds or notes are less than the minimum reserve requirements established in any resolution or resolutions authorizing the issuance of such bonds or notes, the chair of the authority shall certify, on or before the first day of December of each year, the amount of such deficiency to the governor of the state, for inclusion, if the governor shall so elect, of the amount of such deficiency in the budget to be submitted to the next session of the Legislature for appropriation to the authority to be pledged for payment of such bonds or notes: Provided, That the Legislature is not required to make any appropriation so requested, and the amount of such deficiencies is not a debt or liability of the state.

Neither the members of the authority nor any person executing the bonds or notes are liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
States ⇐146.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 437 to 455.
C.J.S. Waters §§ 483, 543 to 581.

Notes of Decisions

In general 1

1. In general

Statute authorizes Water Development Authority (WDA) to directly impose on public service district, which operates public utility as defined by separate statutory provision, in its own name and for its own benefit service charges determined by it to be necessary when public service district defaults on loan made by Water Development Authority to public service district; however, Water Development Authority's power to impose such service charges upon public service district which operates public utility is subject to regulatory review and approval of Public Service Commission (PSC) pursuant to separate statute. Code, 22C-1-7, 24-1-2, 24-2-1. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Waters And Water Courses ⇐ 183.5

§ 22C-1-10. Trustee for bondholders; contents of trust agreement

In the discretion of the authority, any water development revenue bonds or notes or water development revenue refunding bonds issued by the authority under this article may be secured by a trust agreement between the authority and a corporate trustee, which trustee may be any trust company or banking institution having the powers of a trust company within or without this state.

Any such trust agreement may pledge or assign revenues of the authority to be received, but shall not convey or mortgage any water development project or any part thereof. Any such trust agreement or any resolution providing for the issuance of such bonds or notes may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or noteholders as are reasonable and proper and not in violation of law, including the provisions contained in section nine of this article and covenants setting forth the duties of the authority in relation to the acquisition of property, the construction, improvement, maintenance, repair, operation and insurance of the water development project the cost of which is paid, in whole or in part, from the proceeds of such bonds or notes, the rentals or other charges to be imposed for the use or services of any water development project, provisions with regard to the payment of the principal of and interest, charges and fees on loans made to governmental agencies from the proceeds of such bonds or notes, the custody, safeguarding, and application of all moneys and provisions for the employment of consulting engineers in connection with the construction or operation of such water development project. Any banking institution or trust company incorporated under the laws of this state which may act as depository of the proceeds of bonds or notes or of revenues shall furnish such indemnifying bonds or pledge such securities as are required by the authority. Any such trust agreement may set forth the rights and remedies of the bondholders and noteholders and of the trustee and may restrict individual rights of action by bondholders and noteholders as customarily provided in trust agreements or trust indentures securing similar bonds. Such trust agreement may contain such other provisions as the authority deems reasonable and proper for the security of the bondholders or noteholders. All expenses incurred in carrying out the provisions of any such trust agreement may be treated as a part of the

cost of the operation of the water development project. Any such trust agreement or resolution authorizing the issuance of water development revenue bonds may provide the method whereby the general administrative overhead expenses of the authority will be allocated among the several projects acquired or constructed by it as a factor of the operating expenses of each such project.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
States ⇐146.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 437 to 455.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-11. Trust agreements for related responsibilities; reimbursements

Notwithstanding any other provision of this code to the contrary, when the authority acts in the capacity of fiscal agent, authorizing authority or some other capacity for any agency, department, instrumentality or public corporation of the state which is issuing or purchasing bonds or notes, the authority may, in the exercise of its responsibilities, enter into trust agreements with one or more trust companies or banking institutions having trust powers, located within or without the state, with respect to the receipt, investment, handling, payment and delivery of funds of such agency, department, instrumentality or public corporation. The authority is entitled to reimbursement for the expenses of the authority incident to performing such services, including the fees and expenses of third parties providing services to the authority with respect thereto, from the proceeds of bonds or notes or of the revenues derived by such agency, department, instrumentality or public corporation.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
States ⇐146.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 437 to 455.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-12. Legal remedies of bondholders and trustees

Any holder of water development revenue bonds issued under the authority of this article or any of the coupons appertaining thereto and the trustee under any trust agreement, except to the extent the rights given by this article may be restricted by the applicable resolution or such trust agreement, may by civil action, mandamus or other proceedings, protect and enforce any rights granted under the laws of this state or granted under this article, by the trust agreement or by the resolution authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this article, or by the trust agreement or resolution, to be performed by the authority or any officer

thereof, including the fixing, charging and collecting of sufficient rentals or other charges.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
States ⇐160.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States § 440.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-13. Bonds and notes not debt of state, county, municipality or of any political subdivision; expenses incurred pursuant to article

Water development revenue bonds and notes and water development revenue refunding bonds issued under authority of this article and any coupons in connection therewith are not a debt or a pledge of the faith and credit or taxing power of this state or of any county, municipality or any other political subdivision of this state, and the holders or owners thereof have no right to have taxes levied by the Legislature or taxing authority of any county, municipality or any other political subdivision of this state for the payment of the principal thereof or interest thereon, but such bonds and notes are payable solely from the revenues and funds pledged for their payment as authorized by this article unless the notes are issued in anticipation of the issuance of bonds or the bonds are refunded by refunding bonds issued under authority of this article, which bonds or refunding bonds are payable solely from revenues and funds pledged for their payment as authorized by this article. All such bonds and notes shall contain on the face thereof a statement to the effect that the bonds or notes, as to both principal and interest, are not debts of the state or any county, municipality or political subdivision thereof, but are payable solely from revenues and funds pledged for their payment.

All expenses incurred in carrying out the provisions of this article are payable solely from funds provided under authority of this article. This article does not authorize the authority to incur indebtedness or liability on behalf of or payable by the state or any county, municipality or political subdivision thereof.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
States ⇐166.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States § 448.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-14. Use of funds by authority; restrictions thereon

All moneys, properties and assets acquired by the authority, whether as proceeds from the sale of water development revenue bonds or as revenues or otherwise, shall be held by it in trust for the purposes of carrying out its powers and duties, and shall be used and reused in accordance with the purposes and

provisions of this article. Such moneys shall at no time be commingled with other public funds. Such moneys, except as otherwise provided in any resolution authorizing the issuance of water development revenue bonds or in any trust agreement securing the same, or except when invested pursuant to section fifteen of this article, shall be kept in appropriate depositories and secured as provided and required by law. The resolution authorizing the issuance of such bonds of any issue or the trust agreement securing such bonds shall provide that any officer to whom, or any banking institution or trust company to which, such moneys are paid shall act as trustee of such moneys and hold and apply them for the purposes hereof, subject to the conditions this article and such resolution or trust agreement provide.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
States ⇐119.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 324 to 348, 351, 353 to 357, 362 to 363, 368.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-15. Investment of funds by authority

The authority is hereby authorized and empowered to invest any funds not needed for immediate disbursement in any of the following securities:

(1) Direct obligations of or obligations guaranteed by the United States of America;

(2) 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; the Federal National Mortgage Association or the Government National Mortgage Association;

(3) Public housing bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or temporary notes issued by public agencies or municipalities or preliminary loan notes issued by public agencies or municipalities, in each case, fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(4) Certificates of deposit secured by obligations of the United States of America;

(5) Direct obligations of or obligations guaranteed by the state of West Virginia;

(6) Direct and general obligations of any other state within the territorial United States, to the payment of the principal of and interest on which the full faith and credit of such state is pledged: Provided, That at the time of their

purchase, such obligations are rated in either of the two highest rating categories by a nationally recognized bond-rating agency; and

(7) Any fixed interest bond, note or debenture of any corporations organized and operating within the United States: Provided, That such corporation shall have a minimum net worth of fifteen million dollars and its securities or its parent corporation's securities are listed on one or more of the national stock exchanges: Provided, however, That (i) such corporation has earned a profit in eight of the preceding ten fiscal years as reflected in its statements, and (ii) such corporation has not defaulted in the payment of principal or interest on any of its outstanding funded indebtedness during its preceding ten fiscal years, and (iii) the bonds, notes or debentures of such corporation to be purchased are rated "AA" or the equivalent thereof or better than "AA" or the equivalent thereof at least two or more nationally recognized rating services such as Standard and Poor's, Dun & Bradstreet or Moody's.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
States ⇐124.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 374 to 376.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-16. Rentals and other revenues from water development projects owned by the authority; contracts and leases of the authority; cooperation of other governmental agencies; bonds of such agencies

This section applies to any water development project or projects which are owned, in whole or in part, by the authority. The authority may charge, alter and collect rentals or other charges for the use or services of any water development project, and contract in the manner provided by this section with one or more persons, one or more governmental agencies, or any combination thereof, desiring the use or services thereof, and fix the terms, conditions, rentals or other charges for such use or services. Such rentals or other charges are not subject to supervision or regulation by any other authority, department, commission, board, bureau or agency of the state, and such contract may provide for acquisition by such person or governmental agency of all or any part of such water development project for such consideration payable over the period of the contract or otherwise as the authority in its sole discretion determines to be appropriate, but subject to the provisions of any resolution authorizing the issuance of water development revenue bonds or notes or water development revenue refunding bonds of the authority or any trust agreement securing the same. Any governmental agency which has power to construct, operate and maintain public water or wastewater facilities may enter into a contract or lease with the authority whereby the use or services of any water development project of the authority will be made available to such governmental agency and pay for such use or services such rentals or other charges as may be agreed to by such governmental agency and the authority.

Any governmental agency or agencies or combination thereof may cooperate with the authority in the acquisition or construction of a water development project and shall enter into such agreements with the authority as are necessary, with a view to effective cooperative action and safeguarding of the respective interests of the parties thereto, which agreements shall provide for such contributions by the parties thereto in such proportion as may be agreed upon and such other terms as may be mutually satisfactory to the parties, including, without limitation, the authorization of the construction of the project by one of the parties acting as agent for all of the parties and the ownership and control of the project by the authority to the extent necessary or appropriate for purposes of the issuance of water development revenue bonds by the authority. Any governmental agency may provide such contribution as is required under such agreements by the appropriation of money or, if authorized by a favorable vote of the electors to issue bonds or notes or levy taxes or assessments and issue notes or bonds in anticipation of the collection thereof, by the issuance of bonds or notes or by the levying of taxes or assessments and the issuance of bonds or notes in anticipation of the collection thereof, and by the payment of such appropriated money or the proceeds of such bonds or notes to the authority pursuant to such agreements.

Any governmental agency, pursuant to a favorable vote of the electors in an election held for the purpose of issuing bonds to provide funds to acquire, construct or equip, or provide real estate and interests in real estate for a public water or wastewater facility, whether or not the governmental agency at the time of such an election had the authority to pay the proceeds from such bonds or notes issued in anticipation thereof to the authority as provided in this section, may issue such bonds or notes in anticipation of the issuance thereof and pay the proceeds thereof to the authority in accordance with an agreement between such governmental agency and the authority: Provided, That the legislative authority of the governmental agency finds and determines that the water development project to be acquired or constructed by the authority in cooperation with such governmental agency will serve the same public purpose and meet substantially the same public need as the facility otherwise proposed to be acquired or constructed by the governmental agency with the proceeds of such bonds or notes.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
Waters and Water Courses ⇐183.5, 203.
Westlaw Topic Nos. 149E, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581, 666 to 732.

§ 22C-1-17. Maintenance, operation and repair of projects; reports by authority to governor and Legislature

Each water development project, when constructed and placed in operation, shall be maintained and kept in good condition and repair by the authority or if owned by a governmental agency, by such governmental agency, or the authority or such governmental agency shall cause the same to be maintained and kept

in good condition and repair. Each such project owned by the authority shall be operated by such operating employees as the authority employs or pursuant to a contract or lease with a governmental agency or person. All public or private property damaged or destroyed in carrying out the provisions of this article and in the exercise of the powers granted hereunder with regard to any project shall be restored or repaired and placed in its original condition, as nearly as practicable, or adequate compensation made therefor out of funds provided in accordance with the provisions of this article.

As soon as possible after the close of each fiscal year, the authority shall make an annual report of its activities for the preceding fiscal year to the governor and the Legislature. Each such report shall set forth a complete operating and financial statement covering the authority's operations during the preceding fiscal year. The authority shall cause an audit of its books and accounts to be made at least once each fiscal year by certified public accountants and the cost thereof may be treated as a part of the cost of construction or of operations of its projects.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-18. Water development bonds lawful investments

The provisions of sections nine and ten, article six, chapter twelve of this code to the contrary notwithstanding, all water development revenue bonds issued pursuant to this article are lawful investments for the West Virginia state board of investments and are also lawful investments for banking institutions, societies for savings, building and loan associations, savings and loan associations, deposit guarantee associations, trust companies, insurance companies, including domestic for life and domestic not for life insurance companies.

Acts 1994, c. 61.

Acts 1999, c. 147, created the West Virginia investment management board, which absorbed the powers and duties of the board of investments. See § 12-6-3.

Library References

States ⇐157.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 360, 405.

C.J.S. States § 441.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-19. Purchase and cancellation of notes or bonds

The authority, subject to such agreements with noteholders or bondholders as may then exist, has the power, out of any funds available therefor, to purchase notes or bonds of the authority.

If the notes or bonds are then redeemable, the price of such purchase shall not exceed the redemption price then applicable plus accrued interest to the

next interest payment date thereon. If the notes or bonds are not then redeemable, the price of such purchase shall not exceed the redemption price applicable on the first date after such purchase upon which the notes or bonds become subject to redemption plus accrued interest to such date. Upon such purchase such notes or bonds shall be canceled.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
States ⇐147.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 437, 443 to 445.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-20. Refunding bonds

Any bonds issued hereunder and at any time outstanding may at any time and from time to time be refunded by the authority by the issuance of its refunding bonds in such amount as it may deem necessary to refund the principal of the bonds so to be refunded, together with any unpaid interest thereon; to provide additional funds for the purposes of the authority; and any premiums and commissions necessary to be paid in connection therewith. Any such refunding may be effected whether the bonds to be refunded have matured or thereafter mature, either by sale of the refunding bonds and the application of the proceeds thereof for the redemption of the bonds to be refunded thereby, or by exchange of the refunding bonds for the bonds to be refunded thereby: Provided, That the holders of any bonds so to be refunded shall not be compelled without their consent to surrender their bonds for payment or exchange prior to the date on which they are payable or, if they are called for redemption, prior to the date on which they are by their terms subject to redemption. Any refunding bonds issued under the authority of this article are payable from the revenues out of which the bonds to be refunded thereby were payable, or from other moneys or the principal of and interest on or other investment yield from, investments or proceeds of bonds or other applicable funds and moneys, including investments of proceeds of any refunding bonds, and are subject to the provisions contained in section nine of this article and shall be secured in accordance with the provisions of sections nine and ten of this article.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
States ⇐152.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 449 to 450.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-21. Exemption from taxation

The exercise of the powers granted to the authority by this article will be in all respects for the benefit of the people of the state, for the improvement of their health, safety, convenience and welfare and for the enhancement of their residential, agricultural, recreational, economic, commercial and industrial

opportunities and is a public purpose. As the operation and maintenance of water development projects are essential governmental functions, the authority is not required to pay any taxes or assessments upon any water development project or upon any property acquired or used by the authority or upon the income therefrom. Such bonds and notes and all interest and income thereon are exempt from all taxation by this state, or any county, municipality, political subdivision or agency thereof, except inheritance taxes.

Acts 1994, c. 61.

Library References

Taxation ⇐2173, 2276, 2315, 2316, 2330.
Westlaw Topic No. 371.

§ 22C-1-22. Acquisition of property by authority—Acquisition by purchase; governmental agencies authorized to convey, etc., property

The authority may acquire by purchase, whenever it deems such purchase expedient, any land, property, rights, rights-of-way, franchises, easements and other interests in lands it deems necessary or convenient for the construction and operation of any water development project upon such terms and at such prices it considers reasonable and can be agreed upon between the authority and the owner thereof, and take title thereto in the name of the state.

All governmental agencies, notwithstanding any contrary provision of law, may lease, lend, grant or convey to the authority, at its request, upon such terms as the proper authorities of such governmental agencies deem reasonable and fair and without the necessity for an advertisement, auction, order of court or other action or formality, other than the regular and formal action of the governmental agency concerned, any real property or interests therein, including improvements thereto or personal property which is necessary or convenient to the effectuation of the authorized purposes of the authority, including public roads and other real property or interests therein, including improvements thereto or personal property already devoted to public use.

Acts 1994, c. 61.

Library References

Eminent Domain ⇐27 to 32.
Environmental Law ⇐216.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 148, 149E, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-23. Same—Acquisition under subdivision (10), section six of this article; property of public utilities and common carriers; relocation, restoration, etc., of highways and public utility facilities

The authority may acquire, pursuant to subdivision (10), section six of this article, any land, rights, rights-of-way, franchises, easements or other property necessary or proper for the construction or the efficient operation of any water development project.

This section does not authorize the authority to take or disturb property or facilities belonging to any public utility or to a common carrier, which property or facilities are required for the proper and convenient operation of such public utility or common carrier, unless provision is made for the restoration, relocation or duplication of such property or facilities elsewhere at the sole cost of the authority.

When the authority finds it necessary to change the location of any portion of any public road, state highway, railroad or public utility facility in connection with the construction of a water development project, it shall cause the same to be reconstructed at such location as the unit or division of government having jurisdiction over such road, highway, railroad or public utility facility deems most favorable. Such construction shall be of substantially the same type and in as good condition as the original road, highway, railroad or public utility facility. The cost of such reconstruction, relocation or removal and any damage incurred in changing the location of any such road, highway, railroad or public utility facility shall be paid by the authority as a part of the cost of such water development project.

When the authority finds it necessary that any public highway or portion thereof be vacated by reason of the acquisition or construction of a water development project, the authority shall request the commissioner of the division of highways, in writing, to vacate such highway or portion thereof if the highway or portion thereof to be vacated is part of the state road system, or, if the highway or portion thereof to be vacated is under the jurisdiction of a county or a municipality, the authority shall request the governing body of such county or municipality to vacate such public road or portion thereof. The authority shall pay to the commissioner of the division of highways or to the county or municipality, as the case may be, as part of the cost of such water development project, any amounts required to be deposited with any court in connection with proceedings for the determination of compensation and damages and all amounts of compensation and damages finally determined to be payable as a result of such vacation.

The authority may make reasonable rules for the installation, construction, maintenance, repair, renewal, relocation and removal of railroad or public utility facilities in, on, over or under any water development project. Whenever the authority determines that it is necessary that any such facilities installed or constructed in, on, over or under property of the authority pursuant to such rules be relocated, the railroad or public utility owning or operating such facilities shall relocate or remove them in accordance with the order of the authority. The cost and expenses of such relocation or removal, including the cost of installing such facilities in a new location, the cost of any lands or any rights or interests in lands and the cost of any other rights acquired to accomplish such relocation or removal, may be paid by the authority as a part of the cost of such water development project. In case of any such relocation or removal of facilities, the railroad or public utility owning or operating them, and its successors or assigns, may maintain and operate such facilities, with the necessary appurtenances in the new location in, on, over or under the property

of the authority for as long a period and upon the same terms as it had the right to maintain and operate such facilities in their former location.

Acts 1994, c. 61.

Library References

Eminent Domain ⇐27 to 32.
Environmental Law ⇐216.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 148, 149E, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-24. Financial interest in contracts prohibited; penalty

No officer, member or employee of the authority shall be financially interested, directly or indirectly, in any contract of any person with the authority, or in the sale of any property, real or personal, to or from the authority. This section does not apply to contracts or purchases of property, real or personal, between the authority and any governmental agency. If any officer, member or employee of the authority has such financial interest in a contract or sale of property prohibited hereby, he or she is guilty of a misdemeanor, and, upon conviction thereof, shall be fined not more than one thousand dollars, or imprisoned in the county jail not more than one year, or both fined and imprisoned.

Acts 1994, c. 61.

Library References

Environmental Law ⇐216.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-25. Meetings and records of authority to be kept public

All meetings of the authority shall be open to the public and the records of the authority shall be open to public inspection at all reasonable times, except as otherwise provided in this section. All final actions of the authority shall be journalized and such journal shall also be open to the inspection of the public at all reasonable times. Any records or information relating to secret processes or secret methods of manufacture or production which may be obtained by the authority or other persons acting under authority of this article are confidential and shall not be disclosed.

Acts 1994, c. 61.

Library References

Environmental Law ⇐139.
Westlaw Topic No. 149E.
C.J.S. Health and Environment §§ 130, 173.

§ 22C-1-26. Liberal construction of article

The provisions of this article are hereby declared to be remedial and shall be liberally construed to effectuate its purposes and intents.

Acts 1994, c. 61.

Library References

Environmental Law ⇐167.
Waters and Water Courses ⇐182.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment § 172.
C.J.S. Waters §§ 483, 505.

§ 22C–1–27. Authorized limit on borrowing

The aggregate principal amount of bonds and notes issued by the authority may not exceed five hundred million dollars outstanding at any one time: Provided, That before the authority issues bonds and notes in excess of four hundred million dollars the Legislature must pass a resolution authorizing this action: Provided, however, That in computing the total amount of bonds and notes which may at any one time be outstanding, the principal amount of any outstanding bonds or notes refunded or to be refunded either by application of the proceeds of the sale of any refunding bonds or notes of the authority or by exchange for any refunding bonds or notes, shall be excluded.

Acts 1994, c. 61; Acts 1995, c. 252, eff. 90 days after March 3, 1995; Acts 2000, c. 278, eff. March 11, 2000.

Library References

Environmental Law ⇐216.
States ⇐115.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 358 to 371.
C.J.S. Waters §§ 483, 543 to 581.

West's

Annotated Code of West Virginia

Using the Classification and Numbering System of the 1931 Code of West Virginia, as Amended

Chapters 22B to 23

2013
Cumulative Annual Pocket Part

Replacing 2012 Pocket Part supplementing 2006 Main Volume

Includes laws through the 2013 First Extraordinary Session

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agency of this state, other than the Department of Environmental Protection: : *Provided,* That no board member may vote on any matter concerning a permit issued to a department or agency of the state by which the member is or has been employed.

(d)(1) The members of the board shall serve five year terms, staggered in accordance with prior enactments of this section.

(2) Any member whose term expires may be reappointed by the Governor.

(3) Members may serve until their successors are appointed and qualified.

(4) If a board member is unable to complete the term, the Governor shall appoint a person with similar qualification to complete the term.

(5) The successor of any board member appointed pursuant to this section must possess the qualification as prescribed in this section.

(6) Each vacancy occurring in the office of a member of the board shall be filled by appointment within sixty days after the vacancy occurs.

Acts 1994, c. 61; Acts 2013, c. 77, eff. April 13, 2013.

Administrative Code References

Environmental Quality Board procedural rules, see W. Va. Code St. R. § 46–4–1 et seq.

§ 22B–3–5. Repealed by Acts 2010, c. 32, eff. June 11, 2010

Historical and Statutory Notes

The repealed section, which related to continuation of the environmental quality board, was derived from:

Acts 1994, c. 158.

Acts 2000, c. 235.

Acts 2003, c. 220.

CHAPTER 22C

ENVIRONMENTAL RESOURCES; BOARDS, AUTHORITIES, COMMISSIONS AND COMPACTS

Article		Section
1.	WATER DEVELOPMENT AUTHORITY.	22C–1–3
2.	WATER POLLUTION CONTROL REVOLVING FUND ACT.	22C–2–1
4.	COUNTY AND REGIONAL SOLID WASTE AUTHORITIES.	22C–4–10
7.	OIL AND GAS INSPECTORS' EXAMINING BOARD [REPEALED].	22C–7–1
8.	SHALLOW GAS WELL REVIEW BOARD.	22C–8–2
9.	OIL AND GAS CONSERVATION.	22C–9–2
11.	INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN.	22C–11–6
12.	OHIO RIVER VALLEY WATER SANITATION COMMISSION.	22C–12–6

ARTICLE 1

WATER DEVELOPMENT AUTHORITY

Section		Section	
22C–1–3.	Definitions.	22C–1–16.	Rentals and other revenues from water development projects owned by the authority; contracts and leases of the authority; cooperation of other governmental agencies; bonds of such agencies.
22C–1–5.	Authority may construct, finance, maintain, etc., water development projects; loans to governmental agencies are subject to terms of loan agreements.	22C–1–27.	Authorized limit on borrowing.
22C–1–6.	Powers, duties and responsibilities of authority generally.		

§ 22C–1–1. Shor

Environmental Qua 1970, see 42 U.S.C.A. §

§ 22C–1–3. Defi

As used in this ar

(1) "Authority" m this article, the dut article.

(2) "Beneficial us consistent with the state, including, bu ing, mining, power, recreational, aesthet

(3) "Board" means this article, which sha

(4) "Bond" or "wa evidence of indebted and purposes of this a

(5) "Construction nishings or equipmen

(6) "Cost" means, and construction; the franchise rights and the cost of demolishing the cost of acquiring of acquiring or const the cost of diverting including the cost of equipment; all financ more than eighteen services and all expe stormwater systems cost of all plans, spe capital and other expe ty of acquiring or con expenses as may be n financing of such acq tion of the authority paid into any special of any such project i agency, with the app specifications and oth tion of a project are proceeds of loans or article.

(7) "Establishment pulp mill, mine, collie each and every indus industrial wastes or o

(8) "Governmental division or unit the conservation districts

§ 22C-1-1. Short title

United States Code Annotated

Environmental Quality Improvement Act of 1970, see 42 U.S.C.A. § 4321 et seq.

National Environmental Policy Act of 1969, see 42 U.S.C.A. § 4321 et seq.

§ 22C-1-3. Definitions

As used in this article, unless the context clearly requires a different meaning:

(1) "Authority" means the Water Development Authority provided for in section four of this article, the duties, powers, responsibilities and functions of which are specified in this article.

(2) "Beneficial use" means a use of water by a person or by the general public that is consistent with the public interest, health and welfare in utilizing the water resources of this state, including, but not limited to, domestic, agricultural, irrigation, industrial, manufacturing, mining, power, public, sanitary, fish and wildlife, state, county, municipal, navigational, recreational, aesthetic and scenic use.

(3) "Board" means the Water Development Authority Board provided for in section four of this article, which shall manage and control the Water Development Authority.

(4) "Bond" or "water development revenue bond" means a revenue bond, note or other evidence of indebtedness issued by the Water Development Authority to effect the intents and purposes of this article.

(5) "Construction" includes reconstruction, enlargement, improvement and providing furnishings or equipment.

(6) "Cost" means, as applied to water development projects, the cost of their acquisition and construction; the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights and interests required by the authority for such acquisition and construction; the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved; the cost of acquiring or constructing and equipping a principal office and suboffices of the authority; the cost of diverting highways, interchange of highways; access roads to private property, including the cost of land or easements therefor; the cost of all machinery, furnishings and equipment; all financing charges and interest prior to and during construction and for no more than eighteen months after completion of construction; the cost of all engineering services and all expenses of research and development with respect to public water facilities, stormwater systems or wastewater facilities; the cost of all legal services and expenses; the cost of all plans, specifications, surveys and estimates of cost and revenues; all working capital and other expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing any such project; all administrative expenses and such other expenses as may be necessary or incident to the acquisition or construction of the project; the financing of such acquisition or construction, including the amount authorized in the resolution of the authority providing for the issuance of water development revenue bonds to be paid into any special funds from the proceeds of such bonds; and the financing of the placing of any such project in operation. Any obligation or expenses incurred by any governmental agency, with the approval of the authority, for surveys, borings, preparation of plans and specifications and other engineering services in connection with the acquisition or construction of a project are a part of the cost of such project and shall be reimbursed out of the proceeds of loans or water development revenue bonds as authorized by the provisions of this article.

(7) "Establishment" means an industrial establishment, mill, factory, tannery, paper or pulp mill, mine, colliery, breaker or mineral processing operation, quarry, refinery, well and each and every industry or plant or works or activity in the operation or process of which industrial wastes or other wastes are produced.

(8) "Governmental agency" means the state government or any agency, department, division or unit thereof; counties; municipalities; watershed improvement districts; soil conservation districts; sanitary districts; public service districts; drainage districts; regional

governmental authorities and any other governmental agency, entity, political subdivision, public corporation or agency having the authority to acquire, construct or operate public water facilities, stormwater systems or wastewater facilities; the United States government or any agency, department, division or unit thereof; and any agency, commission or authority established pursuant to an interstate compact or agreement.

(9) "Industrial wastes" means any liquid, gaseous, solid or other waste substance or any combination thereof, resulting from or incidental to any process of industry, manufacturing, trade or business, or from or incidental to the development, processing or recovery of any natural resources; and the admixture with such industrial wastes of sewage or other wastes, as defined in this section, are also industrial wastes.

(10) "Other wastes" means garbage, refuse, decayed wood, sawdust, shavings, bark and other wood debris and residues, sand, lime, cinders, ashes, offal, night soil, silt, oil, tar, dyestuffs, acids, chemicals and all other materials or substances not sewage or industrial wastes which may cause or might reasonably be expected to cause or to contribute to the pollution of any of the waters of this state.

(11) "Owner" includes all persons, copartnerships or governmental agencies having any title or interest in any property rights, easements and interests authorized to be acquired by this article.

(12) "Person" means any public or private corporation, institution, association, firm or company organized or existing under the laws of this or any other state or country; the United States or the State of West Virginia; any federal or state governmental agency; political subdivision; county commission; municipality; industry; sanitary district; public service district; drainage district; soil conservation district; watershed improvement district; partnership; trust; estate; person or individual; group of persons or individuals acting individually or as a group or any other legal entity whatever.

(13) "Pollution" means: (a) The discharge, release, escape, deposit or disposition, directly or indirectly, of treated or untreated sewage, industrial wastes or other wastes, of whatever kind or character, in or near any waters of the state, in such condition, manner or quantity, as does, will or is likely to: (1) contaminate or substantially contribute to the contamination of any of such waters; or (2) alter or substantially contribute to the alteration of the physical, chemical or biological properties of any of such waters, if such contamination or alteration, or the resulting contamination or alteration where a person only contributes thereto, is to such an extent as to make any of such waters: (i) Directly or indirectly harmful, detrimental or injurious to the public health, safety and welfare; or (ii) directly or indirectly detrimental to existing animal, bird, fish, aquatic or plant life; or (iii) unsuitable for present or future domestic, commercial, industrial, agricultural, recreational, scenic or other legitimate uses; and also means (b) the discharge, release, escape, deposit or disposition, directly or indirectly, of treated or untreated sewage, industrial wastes or other wastes, of whatever kind or character, in or near any waters of the state in such condition, manner or quantity, as does, will or is likely to reduce the quality of the waters of the state below the standards established therefor by the United States or any department, agency, board or commission of this state authorized to establish such standards.

(14) "Project" or "water development project" means any public water facility, stormwater system or wastewater facility, the acquisition or construction of which is authorized, in whole or in part, by the Water Development Authority or the acquisition or construction of which is financed, in whole or in part, from funds made available by grant or loan by, or through, the authority as provided in this article, including facilities, the acquisition or construction of which is authorized, in whole or in part, by the Water Development Authority or the acquisition or construction of which is financed, in whole or in part, from funds made available by grant or loan by, or through, the authority as provided in this article, including all buildings and facilities which the authority deems necessary for the operation of the project, together with all property, rights, easements and interest which may be required for the operation of the project, but excluding all buildings and facilities used to produce electricity other than electricity for consumption by the authority in the operation and maintenance of the project.

(15) "Public roads" mean all public highways, roads and streets in this state, whether maintained by the state, county, municipality or other political subdivision.

(16) "Public utility facilities" means public utility plants or installations and includes tracks, pipes, mains, conduits, cables, wires, towers, poles and other equipment and appliances of any public utility.

(17) "Revenue" means any money or thing of value collected by, or paid to, the Water Development Authority as rent, use or service fee or charge for use of, or in connection with, any water development project, or as principal of or interest, charges or other fees on loans, or any other collections on loans made by the Water Development Authority to governmental agencies to finance, in whole or in part, the acquisition or construction of any water development project or projects or other money or property which is received and may be expended for or pledged as revenues pursuant to this article.

(18) "Sewage" means water-carried human or animal wastes from residences, buildings, industrial establishments or other places, together with such groundwater infiltration and surface waters as may be present.

(19) "Stormwater system" means a stormwater system in its entirety or any integral part thereof used to collect, control or dispose of stormwater and an associated stormwater management program. It includes all facilities, structures and natural water courses used for collecting and conducting stormwater to, through and from drainage areas to the points of final outlet, including, but not limited to, any and all of the following: Inlets, conduits, corals, outlets, channels, ponds, drainage ways, easements, water quality facilities, catch basins, ditches, streams, gulches, flumes, culverts, siphons, retention or detention basins, dams, floodwalls, pipes, flood control systems, levies and pumping stations. The term "stormwater system" does not include highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia Division of Highways.

(20) "Stormwater management program" means those activities associated with the management, operation and maintenance and control of stormwater and stormwater systems and includes, but is not limited to, public education, stormwater and surface runoff water quality improvement, mapping, planning, flood control, inspection, enforcement and any other activities required by state and federal law. The term "stormwater management program" does not include those activities associated with the management, operation, maintenance and control of highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia Division of Highways without the express agreement of the Commissioner of the Division of Highways.

(21) "Water resources", "water" or "waters" means any and all water on or beneath the surface of the ground, whether percolating, standing, diffused or flowing, wholly or partially within this state, or bordering this state and within its jurisdiction, and includes, without limiting the generality of the foregoing, natural or artificial lakes, rivers, streams, creeks, branches, brooks, ponds (except farm ponds, industrial settling basins and ponds and water treatment facilities), impounding reservoirs, springs, wells and watercourses.

(22) "Wastewater" means any water containing sewage, industrial wastes or other wastes or contaminants derived from the prior use of such water and includes, without limiting the generality of the foregoing, surface water of the type storm sewers are designed to collect and dispose of.

(23) "Wastewater facilities" means facilities for the purpose of treating, neutralizing, disposing of, stabilizing, cooling, segregating or holding wastewater, including, without limiting the generality of the foregoing, facilities for the treatment and disposal of sewage, industrial wastes or other wastes, waste water and the residue thereof; facilities for the temporary or permanent impoundment of wastewater, both surface and underground; and sanitary sewers or other collection systems, whether on the surface or underground, designed to transport wastewater together with the equipment and furnishings thereof and their appurtenances and systems, whether on the surface or underground, including force mains and pumping facilities therefor.

(24) "Water facility" means all facilities, land and equipment used for the collection of water, both surface and underground, transportation of water, treatment of water and

distribution of water all for the purpose of providing potable, sanitary water suitable for human consumption and use.

Acts 1994, c. 61; Acts 2008, c. 203, eff. June 5, 2008.

United States Code Annotated

Highways, programs and projects, pollution abatement, see 23 U.S.C.A. § 328.

§ 22C–1–5. Authority may construct, finance, maintain, etc., water development projects; loans to governmental agencies are subject to terms of loan agreements

To accomplish the public policies and purposes and to meet the responsibility of the state as set forth in this article, the water development authority may initiate, acquire, construct, maintain, repair and operate water development projects or cause the same to be operated pursuant to a lease, sublease or agreement with any person or governmental agency; may make loans and grants to governmental agencies for the acquisition or construction of water development projects by governmental agencies, which loans may include amounts to refinance debt issued for existing water development projects of the governmental agency when the refinancing is in conjunction with the financing for a new water development project regardless of the source of the financing for the new project: *Provided,* That the amount of the refinancing may not exceed 50% of the aggregate amount of the refinancing of an existing project and the financing of a new project; and may issue water development revenue bonds of this state, payable solely from revenues, to pay the cost of projects, or finance projects, in whole or in part, by loans to governmental agencies. A water development project may not be undertaken unless it has been determined by the authority to be consistent with any applicable comprehensive plan of water management approved by the Secretary of the Department of Environmental Protection or in the process of preparation by the secretary and to be consistent with the standards set by the state environmental quality board, for the waters of the state affected thereby. Any resolution of the authority providing for acquiring or constructing projects or for making a loan or grant for projects shall include a finding by the authority that the determinations have been made. A loan agreement shall be entered into between the authority and each governmental agency to which a loan is made for the acquisition or construction of a water development project, which loan agreement shall include, without limitation, the following provisions:

(1) The cost of the project, the amount of the loan, the terms of repayment of the loan and the security therefor, which may include, in addition to the pledge of all revenues from the project after a reasonable allowance for operation and maintenance expenses, a deed of trust or other appropriate security instrument creating a lien on the project;

(2) The specific purposes for which the proceeds of the loan shall be expended including the refinancing of existing water development project debt as provided above, the procedures as to the disbursement of loan proceeds and the duties and obligations imposed upon the governmental agency in regard to the construction or acquisition of the project, including engineering fees and other administrative costs relating to development of the project;

(3) The agreement of the governmental agency to impose, collect, and, if required to repay the obligations of the governmental agency under the loan agreement, increase service charges from persons using the project, which service charges shall be pledged for the repayment of the loan together with all interest, fees and charges thereon and all other financial obligations of the governmental agency under the loan agreement;

(4) The agreement of the governmental agency to comply with all applicable laws, rules and regulations issued by the authority or other state, federal and local bodies in regard to the construction, operation, maintenance and use of the project;

(5) The number of proposed customers and their physical locations within the project, and providing as a condition of the agreement, that no proposed customers listed in the project application agreement may be removed from inclusion in the project without prior authorization of the board; and

(6) The agreement of
which maintenance audit
of West Virginia.

Acts 1994, c. 61; Acts 1995,

§ 22C–1–6. Powers, du

The Water Development
ate to carry out and effe
capacity to:

(1) Adopt and, from time
regulation of its affairs an
effective its powers and
provisions of chapter twenty

(2) Adopt an official seal

(3) Maintain a principal
designated or provided.

(4) Sue and be sued in it
particularly to enforce the
sixteen of this article. Any
of Kanawha County in which

(5) Make loans and grants
water development projects
provisions of chapter twenty
loans and grants.

(6) Acquire, construct, rec
operate, lease or rent to, or c
development projects and, in
code, adopt rules for the use o

(7) Make available the use
persons, one or more governm

(8) Issue water developme
refunding bonds of the state,
article unless the bonds are re
part of the cost of, or financ
development projects or parts

(9) Acquire by gift or purc
exercise of its powers and

(10) Acquire in the name of
manner as it deems proper, or
provided in chapter fifty-four
rights therein, rights-of-way, pr
carrying out the provisions of
right of eminent domain of an
facilities, operated under permi
twenty-two of this code and ow
shall be paid for public or priva

(11) Make and enter into
necessary or incidental to the
When the cost under any such
services, involves an expenditur
a written contract with the lowe
II legal advertisement in compli
this code, the publication area fo
performed or which is affected

(6) The agreement of the governmental agency to perform an annual maintenance audit which maintenance audit shall be submitted to the board and the Public Service Commission of West Virginia.

Acts 1994, c. 61; Acts 1995, c. 252, eff. 90 days after March 3, 1995; Acts 2009, c. 221, eff. April 10, 2009.

§ 22C-1-6. Powers, duties and responsibilities of authority generally

The Water Development Authority has and may exercise all powers necessary or appropriate to carry out and effectuate its corporate purpose. The authority has the power and capacity to:

(1) Adopt and, from time to time, amend and repeal bylaws necessary and proper for the regulation of its affairs and the conduct of its business and rules to implement and make effective its powers and duties, such rules to be promulgated in accordance with the provisions of chapter twenty-nine-a of this code.

(2) Adopt an official seal.

(3) Maintain a principal office and, if necessary, regional suboffices at locations properly designated or provided.

(4) Sue and be sued in its own name and plead and be impleaded in its own name and particularly to enforce the obligations and covenants made under sections nine, ten and sixteen of this article. Any actions against the authority shall be brought in the circuit court of Kanawha County in which the principal office of the authority shall be located.

(5) Make loans and grants to governmental agencies for the acquisition or construction of water development projects by any such governmental agency and, in accordance with the provisions of chapter twenty-nine-a of this code, adopt rules and procedures for making such loans and grants.

(6) Acquire, construct, reconstruct, enlarge, improve, furnish, equip, maintain, repair, operate, lease or rent to, or contract for operation by a governmental agency or person, water development projects and, in accordance with the provisions of chapter twenty-nine-a of this code, adopt rules for the use of such projects.

(7) Make available the use or services of any water development project to one or more persons, one or more governmental agencies or any combination thereof.

(8) Issue water development revenue bonds and notes and water development revenue refunding bonds of the state, payable solely from revenues as provided in section nine of this article unless the bonds are refunded by refunding bonds, for the purpose of paying all or any part of the cost of, or financing by loans to governmental agencies, one or more water development projects or parts thereof.

(9) Acquire by gift or purchase, hold and dispose of real and personal property in the exercise of its powers and the performance of its duties as set forth in this article.

(10) Acquire in the name of the state, by purchase or otherwise, on such terms and in such manner as it deems proper, or by the exercise of the right of eminent domain in the manner provided in chapter fifty-four of this code, such public or private lands, or parts thereof or rights therein, rights-of-way, property, rights, easements and interests it deems necessary for carrying out the provisions of this article, but excluding the acquisition by the exercise of the right of eminent domain of any public water facilities, stormwater systems or wastewater facilities, operated under permits issued pursuant to the provisions of article eleven, chapter twenty-two of this code and owned by any person or governmental agency, and compensation shall be paid for public or private lands so taken.

(11) Make and enter into all contracts and agreements and execute all instruments necessary or incidental to the performance of its duties and the execution of its powers. When the cost under any such contract or agreement, other than compensation for personal services, involves an expenditure of more than two thousand dollars, the authority shall make a written contract with the lowest responsible bidder after public notice published as a Class II legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, the publication area for such publication to be the county wherein the work is to be performed or which is affected by the contract, which notice shall state the general character

of the work and the general character of the materials to be furnished, the place where plans and specifications therefor may be examined and the time and place of receiving bids, but a contract or lease for the operation of a water development project constructed and owned by the authority or an agreement for cooperation in the acquisition or construction of a water development project pursuant to section sixteen of this article is not subject to the foregoing requirements and the authority may enter into such contract or lease or such agreement pursuant to negotiation and upon such terms and conditions and for such period as it finds to be reasonable and proper under the circumstances and in the best interests of proper operation or of efficient acquisition or construction of such project. The authority may reject any and all bids. A bond with good and sufficient surety, approved by the authority, is required of all contractors in an amount equal to at least fifty percent of the contract price, conditioned upon the faithful performance of the contract.

(12) Employ managers, superintendents and other employees, who are covered by the state civil service system, and retain or contract with consulting engineers, financial consultants, accounting experts, architects, attorneys and such other consultants and independent contractors as are necessary in its judgment to carry out the provisions of this article and fix the compensation or fees thereof. All expenses thereof are payable solely from the proceeds of water development revenue bonds or notes issued by the authority, from revenues and from funds appropriated for such purpose by the Legislature.

(13) Receive and accept from any federal agency, subject to the approval of the Governor, grants for or in aid of the construction of any water development project or for research and development with respect to public water facilities, stormwater systems or wastewater facilities and receive and accept aid or contributions from any source of money, property, labor or other things of value to be held, used and applied only for the purposes for which such grants and contributions are made.

(14) Engage in research and development with respect to public water facilities, stormwater systems or wastewater facilities.

(15) Purchase property coverage and liability insurance for any water development project and for the principal office and suboffices of the authority, insurance protecting the authority and its officers and employees against liability, if any, for damage to property or injury to or death of persons arising from its operations and any other insurance the authority may agree to provide under any resolution authorizing the issuance of water development revenue bonds or in any trust agreement securing the same.

(16) Charge, alter and collect rentals and other charges for the use or services of any water development project as provided in this article and charge and collect reasonable interest, fees and charges in connection with the making and servicing of loans to governmental agencies in the furtherance of the purposes of this article.

(17) Establish or increase reserves from moneys received or to be received by the authority to secure or to pay the principal of and interest on the bonds and notes issued by the authority pursuant to this article.

(18) Administer on behalf of the Department of Environmental Protection the Dam Safety Rehabilitation Revolving Fund Loan Program pursuant to the provisions of article fourteen of chapter twenty-two of this code. Revenues or moneys designated by this code or otherwise appropriated for use by the authority pursuant to the provisions of this article may not be used for the Dam Safety Rehabilitation Revolving Fund Loan Program and moneys in the Dam Safety Rehabilitation Revolving Fund shall be kept separate from all revenues and moneys of the authority.

(19) Do all acts necessary and proper to carry out the powers expressly granted to the authority in this article.

Acts 1994, c. 61; Acts 2008, c. 203, eff. June 5, 2008.

§ 22C–1–16. Rentals and other revenues from water development projects owned by the authority; contracts and leases of the authority; cooperation of other governmental agencies; bonds of such agencies

This section applies to any water development project or projects which are owned, in whole or in part, by the authority. The authority may charge, alter and collect rentals or

other charges for the
manner provided by
agencies, or any combi
conditions, rentals or
are not subject to supe
board, bureau or agen
person or governmenta
consideration payable
discretion determines
authorizing the issuanc
revenue refunding bon
governmental agency
facilities, stormwater s
the authority whereby
will be made available
rentals or other charge

Any governmental a
authority in the acquis
into such agreements w
action and safeguarding
shall provide for such
agreed upon and such
without limitation, the
acting as agent for all
authority to the exten
development revenue
contribution as is requ
authorized by a favor
assessments and issue
of bonds or notes or by
in anticipation of the co
proceeds of such bonds

Any governmental ag
for the purpose of issu
real estate and interes
wastewater facility, wh
had the authority to pa
to the authority as pro
the issuance thereof a
agreement between su
legislative authority o
development project to
governmental agency w
public need as the fa
governmental agency w

Acts 1994, c. 61; Acts 200

§ 22C–1–27. Autho

(a) The aggregate p
exceed $500 million ou
bonds and notes in ex
this action: *Provided,*
may at any one time b
refunded or to be refu
bonds or notes of the
excluded.

other charges for the use or services of any water development project, and contract in the manner provided by this section with one or more persons, one or more governmental agencies, or any combination thereof, desiring the use or services thereof, and fix the terms, conditions, rentals or other charges for such use or services. Such rentals or other charges are not subject to supervision or regulation by any other authority, department, commission, board, bureau or agency of the state and such contract may provide for acquisition by such person or governmental agency of all or any part of such water development project for such consideration payable over the period of the contract or otherwise as the authority in its sole discretion determines to be appropriate, but subject to the provisions of any resolution authorizing the issuance of water development revenue bonds or notes or water development revenue refunding bonds of the authority or any trust agreement securing the same. Any governmental agency which has power to construct, operate and maintain public water facilities, stormwater systems or wastewater facilities may enter into a contract or lease with the authority whereby the use or services of any water development project of the authority will be made available to such governmental agency and pay for such use or services such rentals or other charges as may be agreed to by such governmental agency and the authority.

Any governmental agency or agencies or combination thereof may cooperate with the authority in the acquisition or construction of a water development project and shall enter into such agreements with the authority as are necessary, with a view to effective cooperative action and safeguarding of the respective interests of the parties thereto, which agreements shall provide for such contributions by the parties thereto in such proportion as may be agreed upon and such other terms as may be mutually satisfactory to the parties, including, without limitation, the authorization of the construction of the project by one of the parties acting as agent for all of the parties and the ownership and control of the project by the authority to the extent necessary or appropriate for purposes of the issuance of water development revenue bonds by the authority. Any governmental agency may provide such contribution as is required under such agreements by the appropriation of money or, if authorized by a favorable vote of the electors to issue bonds or notes or levy taxes or assessments and issue notes or bonds in anticipation of the collection thereof, by the issuance of bonds or notes or by the levying of taxes or assessments and the issuance of bonds or notes in anticipation of the collection thereof and by the payment of such appropriated money or the proceeds of such bonds or notes to the authority pursuant to such agreements.

Any governmental agency, pursuant to a favorable vote of the electors in an election held for the purpose of issuing bonds to provide funds to acquire, construct or equip, or provide real estate and interests in real estate for a public water facility, stormwater system or wastewater facility, whether or not the governmental agency at the time of such an election had the authority to pay the proceeds from such bonds or notes issued in anticipation thereof to the authority as provided in this section, may issue such bonds or notes in anticipation of the issuance thereof and pay the proceeds thereof to the authority in accordance with an agreement between such governmental agency and the authority: *Provided,* That the legislative authority of the governmental agency finds and determines that the water development project to be acquired or constructed by the authority in cooperation with such governmental agency will serve the same public purpose and meet substantially the same public need as the facility otherwise proposed to be acquired or constructed by the governmental agency with the proceeds of such bonds or notes.

Acts 1994, c. 61; Acts 2008, c. 203, eff. June 5, 2008.

§ 22C–1–27. Authorized limit on borrowing

(a) The aggregate principal amount of bonds and notes issued by the authority may not exceed $500 million outstanding at any one time: *Provided,* That before the authority issues bonds and notes in excess of $400 million the Legislature must pass a resolution authorizing this action: *Provided, however,* That in computing the total amount of bonds and notes which may at any one time be outstanding, the principal amount of any outstanding bonds or notes refunded or to be refunded either by application of the proceeds of the sale of any refunding bonds or notes of the authority or by exchange for any refunding bonds or notes, shall be excluded.

(b) In addition to the amounts authorized by subsection (a) of this section, the Water Development Authority may issue, pursuant to section seventeen-b, article fifteen-a, chapter thirty-one of this code, bonds or notes in the aggregate principal amount not to exceed $180 million. This authorization is for the limited purpose of providing grants for capital improvements for publicly owned wastewater treatment facilities with an authorized permitted flow of four hundred thousand gallons per day or more which are required to maintain compliance with certain standards for discharges into watersheds in accordance with said section seventeen-b.

Acts 1994, c. 61; Acts 1995, c. 252, eff. 90 days after March 3, 1995; Acts 2000, c. 278, eff. March 11, 2000; Acts 2011, c. 179, eff. June 10, 2011.

ARTICLE 2

WATER POLLUTION CONTROL REVOLVING FUND ACT

Section

22C–2–1. Definitions.
22C–2–5. Collection of money due to the fund.

§ 22C–2–1. Definitions

Unless the context in which used clearly requires a different meaning, as used in this article:

(a) "Authority" means the Water Development Authority provided for in section four, article one of this chapter.

(b) "Cost" as applied to any project financed under the provisions of this article means the total of all costs incurred by a local entity that are reasonable and necessary for carrying out all works and undertakings necessary or incident to the accomplishment of any project including:

(1) Developmental, planning and feasibility studies, surveys, plans and specifications;

(2) Architectural, engineering, financial, legal or other special services;

(3) Acquisition of land and any buildings and improvements on the land or buildings, including the discharge of any obligations of the sellers of the land, buildings or improvements;

(4) Site preparation and development, including demolition or removal of existing structures, construction and reconstruction, labor, materials, machinery and equipment;

(5) The reasonable costs of financing incurred by the local entity in the course of the development of the project, carrying charges incurred before placing the project in service, interest on funds borrowed to finance the project to a date subsequent to the estimated date the project is to be placed in service, necessary expenses incurred in connection with placing the project in service and the funding of accounts and reserves which the authority may require; and

(6) Other items that the Department of Environmental Protection determines to be reasonable and necessary.

(c) "Fund" means the State Water Pollution Control Revolving Fund provided for in this article as it may be expanded or modified, from time to time, pursuant to the Clean Water Act, 33 U.S.C. § 1251, *et seq.*, as amended, the Federal Safe Drinking Water Act 42 U.S.C. § 300f through § 300j–26, inclusive, as amended, or by the executive order of the Governor issued to comply with federal laws relating to the acts.

(d) "Instrumentality" means the Department of Environmental Protection or the agency designated by an order of the Governor as having the primary responsibility for administering the fund pursuant to the Clean Water Act, 33 U.S.C. § 1251, *et seq.*, as amended, and the Federal Safe Drinking Water Act 42 U.S.C. § 300f through § 300j–26, inclusive, as amended, or other federal laws.

(e) "Local entity" me
public service district, co
mental authority, state
corporation in West Vir

(f) "Project" means a
or outside this state by

(1) Sewage and waste

(2) Public water trans

(3) Drainage facilities

(4) Administrative, m
delineated in subdivision

(5) Interests in land re
this subsection; and

(6) Other projects allo

Acts 1994, c. 61; Acts 1996

Environmental law,
Clean water, dams,
state certificatio

§ 22C–2–2. Designat
strume
United

Environmental law,
Clean water, dams,
state certificatio

§ 22C–2–5. Collectio

(a) In order to ensure
revolving fund loan agree
provisions of this code to
following rights and rem
agreement:

(1) The authority may
charges upon all users o
this article and may proce
all necessary costs of the

(2) The authority may
particular local entity, all
the project or which may
judicial decision, including
by the loan distributed to

(3) The authority may
proceeding, compel perfor
agreement between the st

(A) The adjustment of
the terms of the loan agre

(B) The enforcement an

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 16, ARTICLE 13A OF THE WEST VIRGINIA CODE, AND CHAPTER 16, ARTICLE 13A OF THE 2013 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on

October 8, 2013

Natalie E Tennant

Secretary of State

ham, 1957, 98 S.E.2d 891, 143 W.Va. 1. Municipal Corporations ⇨ 400

ARTICLE 13A

PUBLIC SERVICE DISTRICTS

Section

16-13A-1. Legislative findings.
16-13A-1a. Jurisdiction of the public service commission.
16-13A-1b. County commissions to develop plan to create, consolidate, merge, expand or dissolve public service districts.
16-13A-1c. General purpose of districts.
16-13A-2. Creation of districts by county commission; enlarging, reducing, merging, or dissolving district; consolidation; agreements, etc.; infringing upon powers of county commission; filing list of members and districts with the Secretary of State.
16-13A-3. District to be a public corporation and political subdivision; powers thereof; public service boards.
16-13A-3a. Removal of members of public service board.
16-13A-4. Board chairman; members' compensation; procedure; district name.
16-13A-5. General manager of board.
16-13A-6. Employees of board.
16-13A-7. Acquisition and operation of district properties.
16-13A-8. Acquisition and purchase of public service properties; right of eminent domain; extraterritorial powers.
16-13A-9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees.
16-13A-9a. Limitations with respect to foreclosure.
16-13A-10. Budget.
16-13A-11. Accounts; audit.
16-13A-12. Disbursement of district funds.
16-13A-13. Revenue bonds.
16-13A-14. Items included in cost of properties.
16-13A-15. Bonds may be secured by trust indenture.
16-13A-16. Sinking fund for revenue bonds.
16-13A-17. Collection, etc., of revenues and enforcement of covenants; default; suit, etc., by bondholder or trustee to compel performance of duties; appointment and powers of receiver.
16-13A-18. Operating contracts.
16-13A-18a. Sale, lease or rental of water, sewer, stormwater or gas system by district; distribution of proceeds.
16-13A-19. Statutory mortgage lien created; foreclosure thereof.
16-13A-20. Refunding revenue bonds.
16-13A-21. Complete authority of article; liberal construction; district to be public instrumentality; tax exemption.
16-13A-22. Validation of prior acts and proceedings of county courts for creation of districts, inclusion of additional territory, and appointment of members of district boards.
16-13A-23. Validation of acts and proceedings of public service boards.
16-13A-24. Acceptance of loans, grants or temporary advances.
16-13A-25. Borrowing and bond issuance; procedure.

§ 16-13A-1. Legislative findings

The Legislature of the state of West Virginia hereby determines and finds that the present system of public service districts within the state has provided a valuable service at a reasonable cost to persons who would otherwise have been

unable to obtain public utility services. To further this effort, and to insure that all areas of the state are benefiting from the availability of public service district utility services and to further correct areas with health hazards, the Legislature concludes that it is in the best interest of the public to implement better management of public service district resources by expanding the ability and the authority of the public service commission to assist public service districts by offering advice and assistance in operational, financial and regulatory affairs.

In addition to the expanded powers which shall be given to the public service commission, the Legislature also concludes that it is in the best interest of the public for each county commission to review current technology available and consider consolidating existing public service districts where it is feasible and will not result in the interference with existing bond instruments. Further, if such consolidation is not feasible, the Legislature finds that it is in the best interest of the public for each county commission to review current technology available and consider consolidating or centralizing the management of public service districts within its county or multi-county area to achieve efficiency of operations. The Legislature also finds that additional guidelines should be imposed on the creation of new public service districts and that county commissions shall dissolve inactive public service districts as hereinafter provided. The Legislature also finds that the public service commission shall promulgate rules and regulations to effectuate the expanded powers given to the commission relating to public service districts.

Acts 1953, c. 147; Acts 1980, c. 60; Acts 1986, c. 81.

Cross References

County courts, authority to make grants for water and sewer systems, see § 7-1-3t.

Administrative Code References

Sewer utilities regulations, see W. Va. Code St. R. § 150-5-1 et seq.

Library References

Counties ⇐18.
Municipal Corporations ⇐5, 6.
Public Utilities ⇐145.
Westlaw Topic Nos. 104, 268, 317A.

C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.
C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Notes of Decisions

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Eminent domain powers 4
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Rates and charges for service 6
Validity 1

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1. Validity

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying water and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6,

§ 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⇐ 123(3); Statutes ⇐ 123(5)

Statute authorizing creation of public service districts violates no provision of State Constitution, nor is it violative of Fourteenth Amendment to United States Constitution. Act 1953, c. 147; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇐ 4056; Municipal Corporations ⇐ 4

In statute authorizing creation of public service districts, provision for delinquent fixed rates and charges for services rendered to be lien on premises served was not unconstitutional as depriving owners of property without due process of law or as violating Fourteenth Amendment of United States Constitution or applicable provisions of State Constitution. Acts 1953, c. 147, § 1 et seq.; Const. art. 3, §§ 9, 10; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇐ 4416; Municipal Corporations ⇐ 408(1)

Statute authorizing creation of public service districts does not, in so far as it requires County Court to define territory to be included in public service district and appoint a board to govern same in first instance, involve unconstitutional delegation of judicial functions to the County Court, Acts 1953, c. 147; Const. art. 8, § 24. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇐ 2355; Municipal Corporations ⇐ 4

2. In general

A public service district may be created for the purpose of furnishing water or sewer services, or both water and sewer services. Code, 16-13A-1. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇐ 5

Creation and operation of water or sanitary districts or authorities by issuance of revenue bonds payable from revenues are authorized. Code, 16-13A-1 et seq. State ex rel. Appalachian Power Co. v. Gainer, 1965, 143 S.E.2d 351, 149 W.Va. 740. Health ⇐ 369; Waters And Water Courses ⇐ 183.5

A county court may use Federal Revenue Sharing Funds for ordinary and necessary maintenance and operating expenses for sewage disposal, sanitation, and pollution abatement, and ordinary and necessary capital expenditures authorized by law but may not use such funds for matching purposes under any other federal-aid program. 55 W.Va. Op.Atty.Gen. 116 (June 27, 1973) 1973 WL 159152.

3. Construction and application

A public service district is a public corporation and does not come within constitutional provision which in substance provides that all corporations shall be created by general laws and which is applicable to private corporations. Acts 1953, c. 147, § 1 et seq.; Const. art. 11, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⇐ 80(3)

4. Eminent domain powers

Where notice, hearing and order with respect to creation of public service district considered only the question of furnishing water, such district was created only for the purposes of furnishing water services, and had no power to condemn real estate for sewerage facilities. Code, 16-13A-1, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Eminent Domain ⇐ 32

Condemnation by public service district is not a taking of private property for private use in violation of applicable constitutional provision. Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Eminent Domain ⇐ 13

5. Property of public service district

Property of public service district is public property used for public purposes, and, under constitutional provision that public property shall be exempt from taxation, statute authorizing creation of public service districts and granting tax exemption was not violative of constitutional provision requiring that taxation be equal and uniform throughout state. Acts 1953, c. 147, § 1 et seq.; Const. art. 10, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Taxation ⇐ 2289

6. Rates and charges for service

Relief under Federal Securities Act of 1933 was not adequate or sufficient remedy for relief sought by corporations holding sewer revenue bonds of public service district in mandamus proceeding to compel district to establish and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariff reflecting such charges with Public Service Commission, and any relief afforded under provisions of federal statute could not supersede relief which could be granted in mandamus proceeding. Securities Act of 1933, § 1 et seq., 15 U.S.C.A. § 77a et seq.; Code, 16-13A-1 et seq. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⇐ 3(8)

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operation-

Note 6

al and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16–13A–1 et seq., 16–13A–9, 16–13A–10, 16–13A–13, 16–13A–17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⇦ 110

It was ministerial duty of chairman of public service board of public service district to sign revenue bonds and to assist in effectuating their issuance, and in view of constitutionality of statute authorizing creation of the public service board, relator's showing of legal right to require performance of such duty, was sufficient and writ of mandamus would issue. Acts 1953, c. 147. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Mandamus ⇦ 103

7. Creation and enforcement of liens

Public service district's failure to docket notice of lien prior to date purchaser recorded deed of trust prevented district from enforcing sewer lien against purchaser. Code, 16–13A–9, 38–10C–1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Municipal Corporations ⇦ 712(7)

Public service district liens must be docketed to be enforceable against purchaser of property for valuable consideration, without notice. Code, 16–13A–9, 38–10C–1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Gas ⇦ 14.6; Municipal Corporations ⇦ 712(7); Waters And Water Courses ⇦ 203(14)

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⇦ 222; Municipal Corporations ⇦ 225(1)

8. Admissibility of evidence

Extrinsic evidence relating to background and negotiations with regard to forming a public service district were not admissible in regard to construction of a contract for furnishing of water, where contract language was clear and unambiguous that district was to furnish water as customer should require. Berkeley County Public Service Dist. v. Vitro Corp. of America, 1968, 162 S.E.2d 189, 152 W.Va. 252. Evidence ⇦ 448

9. Costs

Costs of proceeding whereby constitutionality of statute authorizing creation of public service districts was tested would not be taxed against defendant who was chairman of public service board and who, honestly and in good faith, though mistakenly, endeavored to perform his duty in refusing to sign revenue bonds, and each litigant would pay his own costs. Acts 1953, c. 147. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Mandamus ⇦ 190

§ 16–13A–1a. Jurisdiction of the public service commission

The jurisdiction of the public service commission relating to public service districts shall be expanded to include the following powers and such powers shall be in addition to all other powers of the public service commission set forth in this code:

(a) To study, modify, approve, deny or amend the plans created under section one-b of this article for consolidation or merger of public service districts and their facilities, personnel or administration;

(b) To petition the appropriate circuit court for the removal of a public service district board member or members; and

(c) To create by general order a separate division within the public service commission to provide assistance to public service districts in technological, operational, financial and regulatory matters.

Acts 1986, c. 81.

Library References

Public Utilities ⇦145. Westlaw Topic No. 317A.

C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Notes of Decisions

In general 1

1. In general

Statute clearly and unambiguously gives Public Service Commission (PSC) power to reduce or increase utility rates whenever it finds that existing rate is unjust, unreasonable, insufficient, or unjustly discriminatory or otherwise in violation of any provision of legislation governing Commission. Code, 24-1-1 et seq., 24-2-3. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Public Utilities ⇦ 123

Legislature sought to establish in Public Service Commission (PSC) governmental entity which would protect public from unfair rates and practices by public utilities and also ensure that public utilities are given competitive return for their stockholders. Code, 24-2-3. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Public Utilities ⇦ 123; Public Utilities ⇦ 129

§ 16-13A-1b. County commissions to develop plan to create, consolidate, merge, expand or dissolve public service districts

Each county commission shall conduct a study of all public service districts which have their principal offices within its county and shall develop a plan relating to the creation, consolidation, merger, expansion or dissolution of such districts or the consolidation or merger of management and administrative services and personnel and shall present such plan to the public service commission for approval, disapproval, or modification: Provided, That within ninety days of the effective date of this section each county commission in this state shall elect either to perform its own study or request that the public service commission perform such study. Each county commission electing to perform its own study has one year from the date of election to present such plan to the public service commission. For each county wherein the county commission elects not to perform its own study, the public service commission shall conduct a study of such county. The public service commission shall establish a schedule for such studies upon a priority basis, with those counties perceived to have the greatest need of creation or consolidation of public service districts receiving the highest priority. In establishing the priority schedule, and in the performance of each study, the bureau of public health and the division of environmental protection shall offer their assistance and cooperation to the public service commission. Upon completion by the public service commission of each study, it shall be submitted to the appropriate county commission for review and comment. Each county commission has six months in which to review the study conducted by the public service commission, suggest changes or modifications thereof, and present such plan to the public service commission. All county plans, whether conducted by the county commission itself or submitted as a result of a public service commission study, shall, by order, be approved, disapproved or modified by the public service commission in accordance with rules promulgated by the public service commission and such order shall be implemented by the county commission.

Acts 1986, c. 81; Acts 1994, c. 61.

Cross References

Public Service Commission, participation in studies, see § 24-1-1b.

Library References

Counties ⇐18, 47.
Westlaw Topic No. 104.
C.J.S. Counties §§ 31, 70 to 73.

§ 16-13A-1c. General purpose of districts

Any territory constituting the whole or any part of one or more counties in the state so situated that the construction or acquisition by purchase or otherwise and the maintenance, operation, improvement and extension of, properties supplying water, sewerage or stormwater services or gas distribution services or all of these within such territory, will be conducive to the preservation of the public health, comfort and convenience of such area, may be constituted a public service district under and in the manner provided by this article. The words "public service properties," when used in this article, shall mean and include any facility used or to be used for or in connection with: (1) The diversion, development, pumping, impounding, treatment, storage, distribution or furnishing of water to or for the public for industrial, public, private or other uses (herein sometimes referred to as "water facilities"); (2) the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (herein sometimes referred to as "sewer facilities" or "landfills"); (3) the distribution or the furnishing of natural gas to the public for industrial, public, private or other uses (herein sometimes referred to as "gas utilities or gas system"); or (4) the collection, control or disposal of stormwater (herein sometimes referred to as "stormwater system" or "stormwater systems"), or (5) the management, operation, maintenance and control of stormwater and stormwater systems (herein sometimes referred to as "stormwater management program" or "stormwater management programs"). As used in this article "stormwater system" or "stormwater systems" means a stormwater system in its entirety or any integral part thereof used to collect, control or dispose of stormwater, and includes all facilities, structures and natural water courses used for collecting and conducting stormwater to, through and from drainage areas to the points of final outlet including, but not limited to, any and all of the following: Inlets, conduits, outlets, channels, ponds, drainage easements, water quality facilities, catch basins, ditches, streams, gulches, flumes, culverts, siphons, retention or detention basins, dams, floodwalls, pipes, flood control systems, levies and pumping stations: Provided, That the term "stormwater system" or "stormwater systems" does not include highways, road and drainage easements, or stormwater facilities constructed, owned or operated by the West Virginia division of highways. As used in this article "stormwater management program" or "stormwater management programs" means those activities associated with the management, operation, maintenance and control of stormwater and stormwater systems, and includes, but is not limited to, public education, stormwater and surface runoff water quality improvement, mapping, planning, flood control, inspection, enforce-

ment and any other activities required by state and federal law: Provided, however, That the term "stormwater management program" or "stormwater management programs" does not include those activities associated with the management, operation, maintenance and control of highways, road and drainage easements, or stormwater facilities constructed, owned or operated by the West Virginia division of highways without the express agreement of the commissioner of highways.

Acts 1986, c. 81; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐18.
Gas ⇐12.
Municipal Corporations ⇐5, 6.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 104, 190, 268, 405.

C.J.S. Counties § 31.
C.J.S. Gas §§ 43 to 45.
C.J.S. Municipal Corporations § 11.
C.J.S. Waters §§ 483, 543 to 581.

§ 16-13A-2. Creation of districts by county commission; enlarging, reducing, merging, or dissolving district; consolidation; agreements, etc.; infringing upon powers of county commission; filing list of members and districts with the Secretary of State

(a) The county commission of any county may propose the creation, enlargement, reduction, merger, dissolution, or consolidation of a public service district by any of the following methods: (1) On its own motion by order duly adopted, (2) upon the recommendation of the Public Service Commission, or (3) by petition of twenty-five percent of the registered voters who reside within the limits of the proposed public service district within one or more counties. The petition shall contain a description, including metes and bounds, sufficient to identify the territory to be embraced therein and the name of such proposed district: *Provided,* That after the effective date of this section, no new public service district shall be created, enlarged, reduced, merged, dissolved or consolidated under this section without the written consent and approval of the Public Service Commission, which approval and consent shall be in accordance with rules promulgated by the Public Service Commission and may only be requested after consent is given by the appropriate county commission or commissions pursuant to this section. Any territory may be included regardless of whether or not the territory includes one or more cities, incorporated towns or other municipal corporations which own and operate any public service properties and regardless of whether or not it includes one or more cities, incorporated towns or other municipal corporations being served by privately owned public service properties: *Provided, however,* That the same territory shall not be included within the boundaries of more than one public service district except where the territory or part thereof is included within the boundaries of a separate public service district organized to supply water, sewerage services, stormwater services or gas facilities not being furnished within such territory or part thereof: *Provided further,* That no city, incorporated town or other municipal corporation shall be included within the boundaries of the proposed district

except upon the adoption of a resolution of the governing body of the city, incorporated town or other municipal corporation consenting.

(b) The petition shall be filed in the office of the clerk of the county commission of the county in which the territory to constitute the proposed district is situated, and if the territory is situated in more than one county, then the petition shall be filed in the office of the clerk of the county commission of the county in which the major portion of the territory extends, and a copy thereof (omitting signatures) shall be filed with each of the clerks of the county commission of the other county or counties into which the territory extends. The clerk of the county commission receiving such petition shall present it to the county commission of the county at the first regular meeting after the filing or at a special meeting called for the consideration thereof.

(c) When the county commission of any county enters an order on its own motion proposing the creation, enlargement, reduction, merger, dissolution or consolidation of a public service district, as aforesaid, or when a petition for the creation is presented, as aforesaid, the county commission shall at the same session fix a date of hearing in the county on the creation, enlargement, reduction, merger, dissolution or consolidation of the proposed public service district, which date so fixed shall be not more than forty days nor less than twenty days from the date of the action. Within ten days of fixing the date of hearing, the county commission shall provide the Executive Secretary of the Public Service Commission with a copy of the order or petition and notification of the time and place of the hearing to be held by the county commission. If the territory proposed to be included is situated in more than one county, the county commission, when fixing a date of hearing, shall provide for notifying the county commission and clerk thereof of each of the other counties into which the territory extends of the date so fixed. The clerk of the county commission of each county in which any territory in the proposed public service district is located shall cause notice of the hearing and the time and place thereof, and setting forth a description of all of the territory proposed to be included therein to be given by publication as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, and the publication area for the publication shall be by publication in each city, incorporated town or municipal corporation if available in each county in which any territory in the proposed public service district is located. The publication shall be at least ten days prior to the hearing.

(d) In all cases where proceedings for the creation, enlargement, reduction, merger, dissolution or consolidation of the public service districts are initiated by petition as aforesaid, the person filing the petition shall advance or satisfactorily indemnify the payment of the cost and expenses of publishing the hearing notice, and otherwise the costs and expenses of the notice shall be paid in the first instance by the county commission out of contingent funds or any other funds available or made available for that purpose. In addition to the notice required herein to be published, there shall also be posted in at least five conspicuous places in the proposed public service district, a notice containing

the same information as is contained in the published notice. The posted notices shall be posted not less than ten days before the hearing.

(e) All persons residing in or owning or having any interest in property in the proposed public service district shall have an opportunity to be heard for and against its creation, enlargement, reduction, merger, dissolution or consolidation. At the hearing the county commission before which the hearing is conducted shall consider and determine the feasibility of the creation, enlargement, reduction, merger, dissolution or consolidation of the proposed district. If the county commission determines that the construction or acquisition by purchase or otherwise and maintenance, operation, improvement and extension of public service properties by the public service district will be conducive to the preservation of public health, comfort and convenience of such area, the county commission shall by order create, enlarge, reduce, merge, dissolve or consolidate such public service district. If the county commission, after due consideration, determines that the proposed district will not be conducive to the preservation of public health, comfort or convenience of the area or that the creation, enlargement, reduction, merger, dissolution or consolidation of the proposed district as set forth and described in the petition or order is not feasible, it may refuse to enter an order creating the district or it may enter an order amending the description of the proposed district and create, enlarge, reduce, merge, dissolve or consolidate the district as amended.

(f) If the county commission determines that any other public service district or districts can adequately serve the area of the proposed public service district, whether by enlargement, reduction, merger, dissolution or consolidation, it shall refuse to enter the order, but shall enter an order creating, enlarging, reducing, merging, dissolving or consolidating the area with an existing public service district, in accordance with rules adopted by the Public Service Commission for such purpose: *Provided,* That no enlargement of a public service district may occur if the present or proposed physical facilities of the public service district are determined by the appropriate county commission or the Public Service Commission to be inadequate to provide such enlarged service. The clerk of the county commission of each county into which any part of such district extends shall retain in his office an authentic copy of the order creating, enlarging, reducing, merging, dissolving or consolidating the district: *Provided, however,* That within ten days after the entry of an order creating, enlarging, reducing, merging, dissolving or consolidating a district, such order must be filed for review and approval by the Public Service Commission. The Public Service Commission may provide a hearing in the affected county on the matter and may approve, reject or modify the order of the county commission if it finds it is in the best interests of the public to do so. The Public Service Commission shall adopt rules relating to such filings and the approval, disapproval or modification of county commission orders for creating, enlarging, merging, dissolving or consolidating districts. The provisions of this section shall not apply to the implementation by a county commission of an order issued by the Public Service Commission pursuant to this section and section one-b, of this article.

(g) The county commission may, if in its discretion it deems it necessary, feasible and proper, enlarge the district to include additional areas, reduce the area of the district, where facilities, equipment, service or materials have not been extended, or dissolve the district if inactive or create or consolidate two or more such districts. If consolidation of districts is not feasible, the county commission may consolidate and centralize management and administration of districts within its county or multi-county area to achieve efficiency of operations: *Provided,* That where the county commission determines on its own motion by order entered of record, or there is a petition to enlarge the district, merge and consolidate districts, or the management and administration thereof, reduce the area of the district or dissolve the district if inactive, all of the applicable provisions of this article providing for hearing, notice of hearing and approval by the Public Service Commission shall apply. The Commission shall at all times attempt to bring about the enlargement or merger of existing public service districts in order to provide increased services and to eliminate the need for creation of new public service districts in those areas which are not currently serviced by a public service district: *Provided, however,* That where two or more public service districts are consolidated pursuant to this section, any rate differentials may continue for the period of bonded indebtedness incurred prior to consolidation. The districts may not enter into any agreement, contract or covenant that infringes upon, impairs, abridges or usurps the duties, rights or powers of the county commission, as set forth in this article, or conflicts with any provision of this article.

(h) A list of all districts and their current board members shall be filed by the county commission with the Secretary of State and the Public Service Commission by the first day of July of each year.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1967, c. 105; Acts 1975, c. 140; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1995, c. 125, eff. 90 days after March 11, 1995; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2005, c. 195, eff. 90 days after April 9, 2005.

Library References

Counties ⇐47.
Municipal Corporations ⇐6.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 70 to 73.
C.J.S. Municipal Corporations § 11.

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1. Validity

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying water and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6, § 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⇐ 123(3); Statutes ⇐ 123(5)

Statute authorizing creation of public service districts does not, in so far as it requires County Court to define territory to be included in public service district and appoint a board to govern same in first instance, involve unconstitutional delegation of judicial functions to the County Court, Acts 1953, c. 147; Const. art. 8, § 24.

State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇦ 2355; Municipal Corporations ⇦ 4

2. Creation of public service districts

Where notice, hearing and order with respect to creation of public service district considered only the question of furnishing water, such district was created only for the purposes of furnishing water services, and had no power to condemn real estate for sewerage facilities. Code, 16-13A-1, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Eminent Domain ⇦ 32

Where public service district was created for purpose of furnishing water services, county court had authority to add sewerage services to the facilities of the district under appropriate proceedings. Code, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇦ 270

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⇦ 222; Municipal Corporations ⇦ 225(1)

3. District boundaries

Public service district statute that allowed county commission to designate district's boundaries did not also empower commission to make service territories exclusive, displacing Public Service Commission's (PSC) authority to determine service rights. Code, 16-13A-2. Berkeley County Public Service Sewer Dist. v. West Virginia Public Service Com'n, 1998, 512 S.E.2d 201, 204 W.Va. 279. Counties ⇦ 47

4. Notice of hearing

Provisions of statute, with respect to creation of public service districts, which relate to the filing of the petition or motion of the county court, the description of the territory to be embraced, and like provisions are mandatory; but, despite use of the word "shall," the requirements for posting and publication of notice and the time of setting the hearing are directory and require only substantial compliance. Code, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇦ 12(3); Municipal Corporations ⇦ 12(6)

Though record with respect to creation of public service district was silent with respect to posting of notice of hearing and as to whether hearing was not more than 40 nor less than 20 days after his fixing the date for hearing as provided by statute, there was substantial compliance with statute where hearing was set some time prior to the date of the hearing, there was publication of notice more than ten days prior to the date of the hearing as required, and there were no objections either before, during or after the hearing to the creation of the district or to the procedures employed in its creation. Code, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇦ 12(6)

5. Number of voters within district

Public service district was not void because there were not 100 legal voters owning property within the district. Code, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇦ 6

6. Costs

Costs of proceeding whereby constitutionality of statute authorizing creation of public service districts was tested would not be taxed against defendant who was chairman of public service board and who, honestly and in good faith, though mistakenly, endeavored to perform his duty in refusing to sign revenue bonds, and each litigant would pay his own costs. Acts 1953, c. 147. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Mandamus ⇦ 190

7. Referendum

A public service district, once created by county court, not subject to referendum on issue to continue or be abolished. 52 W.Va. Op.Atty. Gen. 33 (August 11, 1966) 1966 WL 87428.

§ 16-13A-3. District to be a public corporation and political subdivision; powers thereof; public service boards

From and after the date of the adoption of the order creating any public service district, it is a public corporation and political subdivision of the state, but without any power to levy or collect ad valorem taxes. Each district may acquire, own and hold property, both real and personal, in its corporate name, and may sue, may be sued, may adopt an official seal and may enter into

contracts necessary or incidental to its purposes, including contracts with any city, incorporated town or other municipal corporation located within or without its boundaries for furnishing wholesale supply of water for the distribution system of the city, town or other municipal corporation, or for furnishing stormwater services for the city, town or other municipal corporation, and contract for the operation, maintenance, servicing, repair and extension of any properties owned by it or for the operation and improvement or extension by the district of all or any part of the existing municipally owned public service properties of any city, incorporated town or other municipal corporation included within the district: Provided, That no contract shall extend beyond a maximum of forty years, but provisions may be included therein for a renewal or successive renewals thereof and shall conform to and comply with the rights of the holders of any outstanding bonds issued by the municipalities for the public service properties.

The powers of each public service district shall be vested in and exercised by a public service board consisting of not less than three members, who shall be persons residing within the district, who possess certain educational, business or work experience which will be conducive to operating a public service district. Each board member shall, within six months of taking office, successfully complete the training program to be established and administered by the public service commission in conjunction with the division of environmental protection and the bureau of public health. Board members shall not be or become pecuniarily interested, directly or indirectly, in the proceeds of any contract or service, or in furnishing any supplies or materials to the district nor shall a former board member be hired by the district in any capacity within a minimum of twelve months after board member's term has expired or such board member has resigned from the district board. The members shall be appointed in the following manner:

Each city, incorporated town or other municipal corporation having a population of more than three thousand but less than eighteen thousand is entitled to appoint one member of the board, and each city, incorporated town or other municipal corporation having a population in excess of eighteen thousand shall be entitled to appoint one additional member of the board for each additional eighteen thousand population. The members of the board representing such cities, incorporated towns or other municipal corporations shall be residents thereof and shall be appointed by a resolution of the governing bodies thereof and upon the filing of a certified copy or copies of the resolution or resolutions in the office of the clerk of the county commission which entered the order creating the district, the persons so appointed become members of the board without any further act or proceedings. If the number of members of the board so appointed by the governing bodies of cities, incorporated towns or other municipal corporations included in the district equals or exceeds three, then no further members shall be appointed to the board and the members so appointed are the board of the district except in cases of merger or consolidation where the number of board members may equal five.

If no city, incorporated town or other municipal corporation having a population of more than three thousand is included within the district, then the county commission which entered the order creating the district shall appoint three members of the board, who are persons residing within the district and residing within the state of West Virginia, which three members become members of the board of the district without any further act or proceedings except in cases of merger or consolidation where the number of board members may equal five.

If the number of members of the board appointed by the governing bodies of cities, incorporated towns or other municipal corporations included within the district is less than three, then the county commission which entered the order creating the district shall appoint such additional member or members of the board, who are persons residing within the district, as is necessary to make the number of members of the board equal three except in cases of merger or consolidation where the number of board members may equal five, and the member or members appointed by the governing bodies of the cities, incorporated towns or other municipal corporations included within the district and the additional member or members appointed by the county commission as aforesaid, are the board of the district. A person may serve as a member of the board in one or more public service districts.

The population of any city, incorporated town or other municipal corporation, for the purpose of determining the number of members of the board, if any, to be appointed by the governing body or bodies thereof, is the population stated for such city, incorporated town or other municipal corporation in the last official federal census.

Notwithstanding any provision of this code to the contrary, whenever a district is consolidated or merged pursuant to section two of this article, the terms of office of the existing board members shall end on the effective date of the merger or consolidation. The county commission shall appoint a new board according to rules promulgated by the public service commission. Whenever districts are consolidated or merged no provision of this code prohibits the expansion of membership on the new board to five.

The respective terms of office of the members of the first board shall be fixed by the county commission and shall be as equally divided as may be, that is approximately one third of the members for a term of two years, a like number for a term of four years, the term of the remaining member or members for six years, from the first day of the month during which the appointments are made. The first members of the board appointed as aforesaid shall meet at the office of the clerk of the county commission which entered the order creating the district as soon as practicable after the appointments and shall qualify by taking an oath of office: Provided, That any member or members of the board may be removed from their respective office as provided in section three-a of this article.

Any vacancy shall be filled for the unexpired term within thirty days, otherwise successor members of the board shall be appointed for terms of six

years and the terms of office shall continue until successors have been appointed and qualified. All successor members shall be appointed in the same manner as the member succeeded was appointed. The district shall provide to the public service commission, within thirty days of the appointment, the following information: The new board member's name, home address, home and office phone numbers, date of appointment, length of term, who the new member replaces and if the new appointee has previously served on the board. The public service commission shall notify each new board member of the legal obligation to attend training as prescribed in this section.

The board shall organize within thirty days following the first appointments and annually thereafter at its first meeting after the first day of January of each year by selecting one of its members to serve as chair and by appointing a secretary and a treasurer who need not be members of the board. The secretary shall keep a record of all proceedings of the board which shall be available for inspection as other public records. Duplicate records shall be filed with the county commission and shall include the minutes of all board meetings. The treasurer is lawful custodian of all funds of the public service district and shall pay same out on orders authorized or approved by the board. The secretary and treasurer shall perform other duties appertaining to the affairs of the district and shall receive salaries as shall be prescribed by the board. The treasurer shall furnish bond in an amount to be fixed by the board for the use and benefit of the district.

The members of the board, and the chair, secretary and treasurer thereof, shall make available to the county commission, at all times, all of its books and records pertaining to the district's operation, finances and affairs, for inspection and audit. The board shall meet at least monthly.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1971, c. 72; Acts 1981, c. 124; Acts 1983, c. 166; Acts 1986, c. 81; Acts 1994, c. 61; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Law Review and Journal Commentaries

The Scope of Title Examination in West Virginia: Can Reasonable Minds Differ? John W. Fisher, II, 98 W. Va. L. Rev. 449 (1996).

"Yes, West Virginia, there is a special priority for the purchase money mortgage:" The recognition of purchase money mortgage priority in West Virginia. Abraham M. Ashton, 107 W. Va. L. Rev. 525 (2005).

Library References

Counties ⇐18.
Municipal Corporations ⇐6.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.

Notes of Decisions

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1. In general

Board members of the Mt. Zion Public Service District cannot be compensated for performing the duties of treasurer and/or secretary

for the Mt. Zion Public Service District; furthermore, a board member may not be compensated for reading meters for the Mt. Zion Public Service District. 63 W.Va. Op.Atty.Gen. 2 (July 14, 1988) 1988 WL 483329.

2. Standard of care

Public service district owes duty of reasonable care to avoid damage to property of others with respect to maintenance of water lines. McCloud v. Salt Rock Water Public Service Dist., 2000, 533 S.E.2d 679, 207 W.Va. 453. Waters And Water Courses ⇦ 205

3. Ministerial officers, generally

Public policy of West Virginia, as evidenced by statute making it unlawful for county or district board member or officer to be or become pecuniarily interested in proceeds of any contract or service over which he might have any voice, influence, or control, is not directed against actual fraud or collusion but is for purpose of preventing those acts and eliminating any opportunity therefor, and purpose of statute is to protect public funds and give official recognition to fact that person cannot properly represent public in transacting business with himself. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Courts ⇦ 55; Judges ⇦ 21

4. Removal of members

Public Service District board member can be removed by majority vote of registered voters. 51 W.Va. Op.Atty.Gen. 564 (November 10, 1965) 1965 WL 92492.

5. Criminal responsibility of members

County commissioner's conviction for being or becoming pecuniarily interested in contract over which he might have some voice or influence was supported by evidence of his continued performance of contract maintenance work for public service district after his election to commission. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⇦ 60

6. Sale of water

Public Service Districts may sell, at wholesale, bulk water to other municipal corporations. 51 W.Va. Op.Atty.Gen. 739 (March 16, 1966) 1966 WL 87469.

7. Tort Claims Act

Tort Claims Act's protection extended to public service districts, under the Act's definition of political subdivision, which included the term "public service districts," despite general authorization for public service districts to "sue and be sued,"in the Public Health statutes. Zirkle v. Elkins Road Public Service Dist., 2007, 655 S.E.2d 155. Waters And Water Courses ⇦ 183.5

§ 16-13A-3a. Removal of members of public service board

The county commission or the public service commission or any other appointive body creating or establishing a public service district under the provisions of this article, or any group of five percent or more of the customers of a public service district, may petition the circuit court of the county in which the district maintains its principal office for the removal of any member of the governing board thereof for consistent violations of any provisions of this article, for reasonable cause which includes, but is not limited to, a continued failure to attend meetings of the board, failure to diligently pursue the objectives for which the district was created, or failure to perform any other duty either prescribed by law or required by a final order of the public service commission or for any malfeasance in public office. Any board member charged with a violation under this section who offers a successful defense against such charges shall be reimbursed for the reasonable costs of such defense from district revenues. Such costs shall be considered as costs associated with rate determination by the public service district and the public service commission. If the circuit court judge hearing the petition for removal finds that the charges are frivolous in nature, the judge may assess all or part of the court costs, plus the reasonable costs associated with the board member's defense, against the party or parties who petitioned the court for the board member's removal.

Acts 1963, c. 75; Acts 1971, c. 72; Acts 1981, c. 124; Acts 1986, c. 81.

Library References

Counties ⇐45.
Public Utilities ⇐145.
Westlaw Topic Nos. 104, 317A.

C.J.S. Counties § 67.
C.J.S. Public Utilities §§ 26 to 32, 159 to 167 169 to 171, 177 to 178.

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1. Criminal responsibility of members

Upon becoming member of county commission, person who is pecuniarily interested in proceeds of any contract or service with public service district violates criminal conflict of interest statute; by virtue of that position, that person has some voice, influence, or control over continuation of contract. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⇐ 60

2. Ministerial officers, generally

Public policy of West Virginia, as evidenced by statute making it unlawful for county or district board member or officer to be or become pecuniarily interested in proceeds of any contract or service over which he might have any voice, influence, or control, is not directed against actual fraud or collusion but is for purpose of preventing those acts and eliminating any opportunity therefor, and purpose of statute is to protect public funds and give official recognition to fact that person cannot properly represent public in transacting business with himself. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Courts ⇐ 55; Judges ⇐ 21

3. Sufficiency of evidence

County commissioner's conviction for being or becoming pecuniarily interested in contract over which he might have some voice or influence was supported by evidence of his continued performance of contract maintenance work for public service district after his election to commission. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⇐ 60

Conflict of interest indictment against county commissioner was sufficient even though it did not characterize commissioner's interest as pecuniary, and commissioner was not entitled to bill of particulars. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⇐ 60

§ 16-13A-4. Board chairman; members' compensation; procedure; district name

(a) The chairman shall preside at all meetings of the board and may vote as any other member of the board. If the chairman is absent from any meeting, the remaining members may select a temporary chairman and if the member selected as chairman resigns as such or ceases for any reason to be a member of the board, the board shall select one of its members as chairman to serve until the next annual organization meeting.

(b) Salaries of the board members are:

(1) For districts with fewer than six hundred customers, up to seventy-five dollars per attendance at regular monthly meetings and fifty dollars per attendance at additional special meetings, total salary not to exceed fifteen hundred dollars per annum;

(2) For districts with six hundred customers or more but fewer than two thousand customers, up to one hundred dollars per attendance at regular monthly meetings and seventy-five dollars per attendance at additional special meetings, total salary not to exceed two thousand five hundred fifty dollars per annum;

(3) For districts with two thousand customers or more, up to one hundred twenty-five dollars per attendance at regular monthly meetings and seventy-five

dollars per attendance at additional special meetings, total salary not to exceed three thousand seven hundred fifty dollars per annum; and

(4) For districts with four thousand or more customers, up to one hundred fifty dollars per attendance at regular monthly meetings and one hundred dollars per attendance at additional special meetings, total salary not to exceed five thousand four hundred dollars per annum.

The public service district shall certify the number of customers served to the Public Service Commission beginning on the first day of July, one thousand nine hundred eighty-six, and continue each fiscal year thereafter.

(c) Public service districts selling water to other water utilities for resale may adopt the following salaries for its board members:

(1) For districts with annual revenues of less than fifty thousand dollars, up to seventy-five dollars per attendance at regular monthly meetings and fifty dollars per attendance at additional special meetings, total salary not to exceed fifteen hundred dollars per annum;

(2) For districts with annual revenues of fifty thousand dollars or more, but less than two hundred fifty thousand dollars, up to one hundred dollars per attendance at regular monthly meetings and seventy-five dollars per attendance at special meetings, total salary not to exceed two thousand five hundred fifty dollars per annum;

(3) For districts with annual revenues of two hundred fifty thousand dollars or more, but less than five hundred thousand dollars, up to one hundred twenty-five dollars per attendance at regular monthly meetings and seventy-five dollars per attendance at additional special meetings, total salary not to exceed three thousand seven hundred fifty dollars per annum; and

(4) For districts with annual revenues of five hundred thousand dollars or more, up to one hundred fifty dollars per attendance at regular monthly meetings and one hundred dollars per attendance at additional special meetings, total salary not to exceed five thousand four hundred dollars per annum.

The public service district shall certify the number of customers served and its annual revenue to the public service commission beginning on the first day of July, two thousand, and continue each fiscal year thereafter.

(d) Board members may be reimbursed for all reasonable and necessary expenses actually incurred in the performance of their duties as provided for by the rules of the board.

(e) The board shall by resolution determine its own rules of procedure, fix the time and place of its meetings and the manner in which special meetings may be called. Public notice of meetings shall be given in accordance with section three, article nine-a, chapter six of this code. Emergency meetings may be called as provided for by said section. A majority of the members constituting the board also constitute a quorum to do business.

(f) The members of the board are not personally liable or responsible for any obligations of the district or the board, but are answerable only for willful

misconduct in the performance of their duties. The county commission which created a district or county commissions if more than one created the district may, upon written request of the district, adopt an order changing the official name of a public service district: *Provided,* That such name change will not be effective until approved by the public service commission of West Virginia and the owners of any bonds and notes issued by the district, if any, shall have consented, in writing, to the name change. If a district includes territory located in more than one county, the county commission or county commissions changing the name of the district shall provide any county commission into which the district also extends with a certified copy of the order changing the name of the district. The official name of any district created under the provisions of this article may contain the name or names of any city, incorporated town or other municipal corporation included therein or the name of any county or counties in which it is located.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2000, c. 199, eff. 90 days after March 11, 2000; Acts 2005, c. 196, eff. 90 days after April 8, 2005.

Library References

Counties ⇐68, 87.
Municipal Corporations ⇐161.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 107 to 118, 128.
C.J.S. Municipal Corporations §§ 372 to 390.

Notes of Decisions

In general 1

1. In general

Board members of the Mt. Zion Public Service District cannot be compensated for performing the duties of treasurer and/or secretary for the Mt. Zion Public Service District; furthermore, a board member may not be compensated for reading meters for the Mt. Zion Public Service District. 63 W.Va. Op.Atty.Gen. 2 (July 14, 1988) 1988 WL 483329.

§ 16-13A-5. General manager of board

The board may employ a general manager to serve a term of not more than five years and until his or her successor is employed, and his or her compensation shall be fixed by resolution of the board. Such general manager shall devote all or the required portion of his or her time to the affairs of the district and may employ, discharge and fix the compensation of all employees of the district, except as in this article otherwise provided, and he or she shall perform and exercise such other powers and duties as may be conferred upon him or her by the board.

Such general manager shall be chosen without regard to his or her political affiliations and upon the sole basis of his or her administrative and technical qualifications to manage public service properties and affairs of the district and he or she may be discharged only upon the affirmative vote of two thirds of the board. Such general manager need not be a resident of the district at the time he or she is chosen. Such general manager may not be a member of the board but shall be an employee of the board.

The board of any public service district which purchases water, sewer or stormwater service from a municipal water, sewer or stormwater system or

another public service district may, as an alternative to hiring its own general manager, elect to permit the general manager of the municipal water, sewer or stormwater system or public service district from which such water, sewer or stormwater service is purchased provide professional management to the district, if the appropriate municipality or public service board agrees to provide such assistance. The general manager shall receive reasonable compensation for such service.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐65, 68.
Municipal Corporations ⇐149, 161.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties §§ 101 to 103, 107 to 118.
C.J.S. Municipal Corporations §§ 361 to 366, 368, 372 to 390.

§ 16–13A–6. Employees of board

The board may in its discretion from time to time by resolution passed by a majority vote provide for the employment of an attorney, fiscal agent, one or more engineers and such other employees as the board may determine necessary and expedient. The board shall in and by such resolution fix the term of employment and compensation and prescribe the duties to be performed by such employees.

Acts 1953, c. 147; Acts 1981, c. 124.

Library References

Counties ⇐65, 68, 87.
Municipal Corporations ⇐149, 161, 170.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties §§ 101 to 103, 107 to 118, 128.
C.J.S. Municipal Corporations §§ 361 to 366, 368, 372 to 405.

§ 16–13A–7. Acquisition and operation of district properties

The board of such districts shall have the supervision and control of all public service properties acquired or constructed by the district, and shall have the power, and it shall be its duty, to maintain, operate, extend and improve the same, including, but not limited to, those activities necessary to comply with all federal and state requirements, including water quality improvement activities. All contracts involving the expenditure by the district of more than fifteen thousand dollars for construction work or for the purchase of equipment and improvements, extensions or replacements, shall be entered into only after notice inviting bids shall have been published as a Class I legal advertisement in compliance with the provision of article three, chapter fifty-nine of this code, and the publication area for such publication shall be as specified in section two of this article in the county or counties in which the district is located. The publication shall not be less than ten days prior to the making of any such contract. To the extent allowed by law, in-state contractors shall be given first priority in awarding public service district contracts. It shall be the duty of the board to ensure that local in-state labor shall be utilized to the greatest extent

possible when hiring laborers for public service district construction or maintenance repair jobs. It shall further be the duty of the board to encourage contractors to use American made products in their construction to the extent possible. Any obligations incurred of any kind or character shall not in any event constitute or be deemed an indebtedness within the meaning of any of the provisions or limitations of the constitution, but all such obligations shall be payable solely and only out of revenues derived from the operation of the public service properties of the district or from proceeds of bonds issued as hereinafter provided. No continuing contract for the purchase of materials or supplies or for furnishing the district with electrical energy or power shall be entered into for a longer period than fifteen years.

Acts 1953, c. 147; Acts 1967, c. 105; Acts 1981, c. 124; Acts 1982, c. 24; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐107.
Municipal Corporations ⇐711.
Public Utilities ⇐114.
Westlaw Topic Nos. 104, 268, 317A.

C.J.S. Counties § 147.
C.J.S. Municipal Corporations § 1535.
C.J.S. Public Utilities §§ 5 to 9, 202 to 207.

§ 16-13A-8. Acquisition and purchase of public service properties; right of eminent domain; extraterritorial powers

The board may acquire any publicly or privately owned public service properties located within the boundaries of the district regardless of whether or not all or any part of such properties are located within the corporate limits of any city, incorporated town or other municipal corporation included within the district and may purchase and acquire all rights and franchises and any and all property within or outside the district necessary or incidental to the purpose of the district.

The board may construct any public service properties within or outside the district necessary or incidental to its purposes and each such district may acquire, construct, maintain and operate any such public service properties within the corporate limits of any city, incorporated town or other municipal corporation included within the district or in any unincorporated territory within ten miles of the territorial boundaries of the district: Provided, That if any incorporated city, town or other municipal corporation included within the district owns and operates either water facilities, sewer facilities, stormwater facilities or gas facilities or all of these, then the district may not acquire, construct, establish, improve or extend any public service properties of the same kind within such city, incorporated towns or other municipal corporations or the adjacent unincorporated territory served by such cities, incorporated towns or other municipal corporations, except upon the approval of the public service commission, the consent of such cities, incorporated towns or other municipal corporations and in conformity and compliance with the rights of the holders of any revenue bonds or obligations theretofore issued by such cities, incorporated towns or other municipal corporations then outstanding

and in accordance with the ordinance, resolution or other proceedings which authorize the issuance of such revenue bonds or obligations.

Whenever such district has constructed, acquired or established water facilities, sewer facilities, a stormwater system, stormwater management program or gas facilities for water, sewer, stormwater or gas services within any city, incorporated town or other municipal corporation included within a district, then such city, incorporated town or other municipal corporation may not thereafter construct, acquire or establish any facilities of the same kind within such city, incorporated town or other municipal corporation without the consent of such district.

For the purpose of acquiring any public service properties or lands, rights or easements deemed necessary or incidental for the purposes of the district, each such district has the right of eminent domain to the same extent and to be exercised in the same manner as now or hereafter provided by law for such right of eminent domain by cities, incorporated towns and other municipal corporations: Provided, That the power of eminent domain provided in this section does not extend to highways, road and drainage easements, or stormwater facilities constructed, owned or operated by the West Virginia division of highways without the express agreement of the commissioner of highways: Provided, however, That such board may not acquire all or any substantial part of a privately owned waterworks system unless and until authorized so to do by the public service commission of West Virginia, and that this section shall not be construed to authorize any district to acquire through condemnation proceedings either in whole or substantial part an existing privately owned waterworks plant or system or gas facilities located in or furnishing water or gas service within such district or extensions made or to be made by it in territory contiguous to such existing plant or system, nor may any such board construct or extend its public service properties to supply its services into areas served by or in competition with existing waterworks or gas facilities or extensions made or to be made in territory contiguous to such existing plant or system by the owner thereof.

Acts 1953, c. 147; Acts 1980, c. 60; Acts 1981, c. 124; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐103, 104.
Eminent Domain ⇐6, 16.
Municipal Corporations ⇐221, 224.
Westlaw Topic Nos. 104, 148, 268.

C.J.S. Counties §§ 143 to 144, 147.
C.J.S. Municipal Corporations §§ 873 to 880.
C.J.S. Property § 17.

Notes of Decisions

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1. Validity

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying wa-

Note 1

ter and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6, § 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⇦ 123(3); Statutes ⇦ 123(5)

Property of public service district is public property used for public purposes, and, under constitutional provision that public property shall be exempt from taxation, statute authorizing creation of public service districts and granting tax exemption was not violative of constitutional provision requiring that taxation be equal and uniform throughout state. Acts 1953, c. 147, § 1 et seq.; Const. art. 10, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Taxation ⇦ 2289

2. In general

Statute providing that private property may be taken or damaged for a number of specified purposes amounts to legislative declaration of public purposes within meaning of laws, and it is a judicial question whether such declaration is consonant with organic law. Acts 1949, c. 59; Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇦ 2510

3. Eminent domain powers

Although construction of new facility proposed by utility will often require taking of private property through eminent domain, absent express statutory language Public Service Commission (PSC) has no duty to review and decide issues that are inherent in eminent domain proceeding. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Public Utilities ⇦ 114

Statute providing that private property may be taken or damaged for a number of specified purposes is consonant with organic law and is constitutional. Acts 1949, c. 59; Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Eminent Domain ⇦ 3

4. Valuation of property

Although landowner is competent to give estimate of value of property in eminent domain proceeding, that valuation is not conclusive; government agency may rely on appraisal report concerning estimated value of property to be taken. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Evidence ⇦ 568(4)

5. Environmental assessment

Whether construction of sewage lagoons would constitute "nuisance" does not defeat Public Service Commission's (PSC) jurisdiction to issue certificate of public convenience and necessity; while PSC may assess environmental considerations, chief inquiry by PSC is need of public for project. Code, 24-2-11. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Municipal Corporations ⇦ 708

6. Connections with sewers or drains

City, rather than sewer and water districts, was entitled to provide sewer and water services to newly developed tract that was within districts' boundaries, but was annexed to city, where such services were not previously furnished to tract. Code, 16-13A-8. Berkeley County Public Service Sewer Dist. v. West Virginia Public Service Com'n, 1998, 512 S.E.2d 201, 204 W.Va. 279. Municipal Corporations ⇦ 712(1); Waters And Water Courses ⇦ 201

If a tract of real estate located within a public service district has been annexed into a municipality, then, as between the municipality and the public service district, the municipality has the superior right to extend water and/or sewer service which were not being previously furnished to the tract by the public service district, and under those circumstances, a public service district would need the consent of the municipality and the Public Service Commission (PSC) in order to provide such service. Code, 16-13A-8. Berkeley County Public Service Sewer Dist. v. West Virginia Public Service Com'n, 1998, 512 S.E.2d 201, 204 W.Va. 279. Municipal Corporations ⇦ 712(1); Waters And Water Courses ⇦ 201; Waters And Water Courses ⇦ 202

7. Public corporation

A public service district is a public corporation and does not come within constitutional provision which in substance provides that all corporations shall be created by general laws and which is applicable to private corporations. Acts 1953, c. 147, § 1 et seq.; Const. art. 11, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⇦ 80(3)

§ 16-13A-9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees

(a)(1) The board may make, enact and enforce all needful rules in connection with the acquisition, construction, improvement, extension, management,

maintenance, operation, care, protection and the use of any public service properties owned or controlled by the district. The board shall establish rates, fees and charges for the services and facilities it furnishes, which shall be sufficient at all times, notwithstanding the provisions of any other law or laws, to pay the cost of maintenance, operation and depreciation of the public service properties and principal of and interest on all bonds issued, other obligations incurred under the provisions of this article and all reserve or other payments provided for in the proceedings which authorized the issuance of any bonds under this article. The schedule of the rates, fees and charges may be based upon:

(A) The consumption of water or gas on premises connected with the facilities, taking into consideration domestic, commercial, industrial and public use of water and gas;

(B) The number and kind of fixtures connected with the facilities located on the various premises;

(C) The number of persons served by the facilities;

(D) Any combination of paragraphs (A), (B) and (C) of this subdivision; or

(E) May be determined on any other basis or classification which the board may determine to be fair and reasonable, taking into consideration the location of the premises served and the nature and extent of the services and facilities furnished. However, no rates, fees or charges for stormwater services may be assessed against highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia division of highways.

(2) Where water, sewer, stormwater or gas services, or any combination thereof, are all furnished to any premises, the schedule of charges may be billed as a single amount for the aggregate of the charges. The board shall require all users of services and facilities furnished by the district to designate on every application for service whether the applicant is a tenant or an owner of the premises to be served. If the applicant is a tenant, he or she shall state the name and address of the owner or owners of the premises to be served by the district. Notwithstanding the provisions of section eight, article three, chapter twenty-four of this code to the contrary, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage of the applicant's specific customer class or fifty dollars, with the district to secure the payment of service rates, fees and charges in the event they become delinquent as provided in this section. If a district provides both water and sewer service, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage for water service or fifty dollars and the greater of a sum equal to two twelfths of the average annual usage for wastewater service of the applicant's specific customer class or fifty dollars. In any case where a deposit is forfeited to pay service rates, fees and charges which were delinquent at the time of disconnection or termination of service, no reconnection or reinstatement of service may be made by the district until another deposit equal to the greater of a sum equal to two twelfths of the average usage for the applicant's specific customer class or fifty dollars

has been remitted to the district. After twelve months of prompt payment history, the district shall return the deposit to the customer or credit the customer's account at a rate as the public service commission may prescribe: *Provided,* That where the customer is a tenant, the district is not required to return the deposit until the time the tenant discontinues service with the district. Whenever any rates, fees, rentals or charges for services or facilities furnished remain unpaid for a period of twenty days after the same become due and payable, the user of the services and facilities provided is delinquent and the user is liable at law until all rates, fees and charges are fully paid. The board may, under reasonable rules promulgated by the public service commission, shut off and discontinue water or gas services to all delinquent users of either water or gas facilities, or both, ten days after the water or gas services become delinquent.

(b) In the event that any publicly or privately owned utility, city, incorporated town, other municipal corporation or other public service district included within the district owns and operates separately either water facilities or sewer facilities, and the district owns and operates the other kind of facilities either water or sewer, as the case may be, then the district and the publicly or privately owned utility, city, incorporated town or other municipal corporation or other public service district shall covenant and contract with each other to shut off and discontinue the supplying of water service for the nonpayment of sewer service fees and charges: *Provided,* That any contracts entered into by a public service district pursuant to this section shall be submitted to the public service commission for approval. Any public service district providing water and sewer service to its customers has the right to terminate water service for delinquency in payment of either water or sewer bills. Where one public service district is providing sewer service and another public service district or a municipality included within the boundaries of the sewer district is providing water service, and the district providing sewer service experiences a delinquency in payment, the district or the municipality included within the boundaries of the sewer district that is providing water service, upon the request of the district providing sewer service to the delinquent account, shall terminate its water service to the customer having the delinquent sewer account: *Provided, however,* That any termination of water service must comply with all rules and orders of the public service commission.

(c) Any district furnishing sewer facilities within the district may require, or may by petition to the circuit court of the county in which the property is located, compel or may require the division of health to compel all owners, tenants or occupants of any houses, dwellings and buildings located near any sewer facilities where sewage will flow by gravity or be transported by other methods approved by the division of health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one, chapter sixteen of this code, from the houses, dwellings or buildings into the sewer facilities, to connect with and use the sewer facilities and to cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from the houses, dwellings and buildings where

there is gravity flow or transportation by any other methods approved by the division of health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one, chapter sixteen of this code and the houses, dwellings and buildings can be adequately served by the sewer facilities of the district and it is declared that the mandatory use of the sewer facilities provided for in this paragraph is necessary and essential for the health and welfare of the inhabitants and residents of the districts and of the state. If the public service district requires the property owner to connect with the sewer facilities even when sewage from dwellings may not flow to the main line by gravity and the property owner incurs costs for any changes in the existing dwellings' exterior plumbing in order to connect to the main sewer line, the public service district board shall authorize the district to pay all reasonable costs for the changes in the exterior plumbing, including, but not limited to, installation, operation, maintenance and purchase of a pump or any other method approved by the division of health. Maintenance and operation costs for the extra installation should be reflected in the users charge for approval of the public service commission. The circuit court shall adjudicate the merits of the petition by summary hearing to be held not later than thirty days after service of petition to the appropriate owners, tenants or occupants.

(d) Whenever any district has made available sewer facilities to any owner, tenant or occupant of any house, dwelling or building located near the sewer facility and the engineer for the district has certified that the sewer facilities are available to and are adequate to serve the owner, tenant or occupant and sewage will flow by gravity or be transported by other methods approved by the division of health from the house, dwelling or building into the sewer facilities, the district may charge, and the owner, tenant or occupant shall pay the rates and charges for services established under this article only after thirty-day notice of the availability of the facilities has been received by the owner, tenant or occupant. Rates and charges for sewage services shall be based upon actual water consumption or the average monthly water consumption based upon the owner's, tenant's or occupant's specific customer class.

(e) Whenever any district has made available a stormwater system to any owner, tenant or occupant of any real property located near the stormwater system and where stormwater from real property affects or drains into the stormwater system, it is hereby found, determined and declared that the owner, tenant or occupant is being served by the stormwater system and it is further hereby found, determined and declared that the mandatory use of the stormwater system is necessary and essential for the health and welfare of the inhabitants and residents of the district and of the state. The district may charge, and the owner, tenant or occupant shall pay the rates, fees and charges for stormwater services established under this article only after thirty-day notice of the availability of the stormwater system has been received by the owner.

(f) All delinquent fees, rates and charges of the district for either water facilities, sewer facilities, gas facilities or stormwater systems or stormwater management programs are liens on the premises served of equal dignity, rank and priority with the lien on the premises of state, county, school and munici-

pal taxes. In addition to the other remedies provided in this section, public service districts are granted a deferral of filing fees or other fees and costs incidental to the bringing and maintenance of an action in magistrate court for the collection of delinquent water, sewer, stormwater or gas bills. If the district collects the delinquent account, plus reasonable costs, from its customer or other responsible party, the district shall pay to the magistrate the normal filing fee and reasonable costs which were previously deferred. In addition, each public service district may exchange with other public service districts a list of delinquent accounts: *Provided,* That an owner of real property may not be held liable for the delinquent rates or charges for services or facilities of a tenant, nor may any lien attach to real property for the reason of delinquent rates or charges for services or facilities of a tenant of the real property, unless the owner has contracted directly with the public service district to purchase the services or facilities.

(g) Anything in this section to the contrary notwithstanding, any establishment, as defined in section three, article eleven, chapter twenty-two, now or hereafter operating its own sewage disposal system pursuant to a permit issued by the division of environmental protection, as prescribed by section eleven, article eleven, chapter twenty-two of this code, is exempt from the provisions of this section.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1989, c. 174; Acts 1994, c. 61; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2003, c. 183, eff. 90 days after March 8, 2003.

Law Review and Journal Commentaries

The Scope of Title Examination in West Virginia: Can Reasonable Minds Differ? John W. Fisher, II, 98 W. Va. L. Rev. 449 (1996).

"Yes, West Virginia, there is a special priority for the purchase money mortgage:" The recognition of purchase money mortgage priority in West Virginia. Abraham M. Ashton, 107 W. Va. L. Rev. 525 (2005).

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Gas ⇐14.6.
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Waters and Water Courses ⇐203.
Westlaw Topic Nos. 190, 268, 405.

C.J.S. Gas §§ 64, 84 to 85.
C.J.S. Municipal Corporations § 1535.
C.J.S. Waters §§ 483, 666 to 732.

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Validity 1

1. Validity

In statute authorizing creation of public service districts, provision for delinquent fixed rates and charges for services rendered to be lien on premises served was not unconstitutional as depriving owners of property without due process of law or as violating Fourteenth Amendment of United States Constitution or applicable provisions of State Constitution. Acts 1953, c. 147, § 1 et seq.; Const. art. 3, §§ 9, 10; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇐ 4416; Municipal Corporations ⇐ 408(1)

2. Takings

Public service district's requiring property owner to connect onto its sewer system and to abandon private sewer system located on property was not a taking of private property without just compensation. Const. Art. 3, § 9; Code, 16-13A-9; U.S.C.A. Const.Amend. 5. Kingmill Valley Public Service Dist. v. River-

view Estates Mobile Home Park, Inc., 1989, 386 S.E.2d 483, 182 W.Va. 116. Eminent Domain ⇨ 2.18

Statute providing that private property may be taken or damaged for a number of specified purposes amounts to legislative declaration of public purposes within meaning of laws, and it is a judicial question whether such declaration is consonant with organic law. Acts 1949, c. 59; Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇨ 2510

3. Public service district liens

Public service district liens must be docketed to be enforceable against purchaser of property for valuable consideration, without notice. Code, 16-13A-9, 38-10C-1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Gas ⇨ 14.6; Municipal Corporations ⇨ 712(7); Waters And Water Courses ⇨ 203(14)

Public service district's failure to docket notice of lien prior to date purchaser recorded deed of trust prevented district from enforcing sewer lien against purchaser. Code, 16-13A-9, 38-10C-1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Municipal Corporations ⇨ 712(7)

If owner, tenant or occupant of garage apartment did not receive notice that public service district's sewer facilities were available for apartment, district would have been without statutory authority to impose charges and a lien against apartment for sewer services, though the apartment was on a lot containing another dwelling which was properly subject to sewer service charges. Code, 16-13A-9, 16-13A-21. Rhodes v. Malden Public Service Dist., 1983, 301 S.E.2d 601, 171 W.Va. 645. Municipal Corporations ⇨ 712(7)

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⇨ 222; Municipal Corporations ⇨ 225(1)

4. Rates and charges for service

Statute clearly and unambiguously gives Public Service Commission (PSC) power to reduce or increase utility rates whenever it finds that existing rate is unjust, unreasonable, insufficient, or unjustly discriminatory or otherwise in violation of any provision of legislation governing Commission. Code, 24-1-1 et seq., 24-2-3. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Public Utilities ⇨ 123

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16-13A-1 et seq., 16-13A-9, 16-13A-10, 16-13A-13, 16-13A-17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⇨ 110

Duty imposed on public service district, a public corporation and political subdivision of state, to establish rates and charges sufficient to pay cost of maintenance, operation and depreciation of properties of district and principal of and interest on all bonds issued by district is nondiscretionary duty which may be enforced by mandamus. Code, 16-13A-9. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⇨ 80

5. Notice of availability of sewer service

Issue of fact as to whether owner or tenant had received notice that public service district's sewer services were available for garage apartment, so as to allow imposition of sewer service charges and a lien against apartment, was not appropriate for resolution in mandamus proceeding. Code, 16-13A-9, 16-13A-21. Rhodes v. Malden Public Service Dist., 1983, 301 S.E.2d 601, 171 W.Va. 645. Mandamus ⇨ 174

§ 16-13A-9a. Limitations with respect to foreclosure

No public service district shall foreclose upon the premises served by such district for delinquent fees, rates or charges for which a lien is authorized by sections nine or nineteen of this article except through the bringing and maintenance of a civil action for such purpose brought in the circuit court of the county wherein the district lies. In every such action, the court shall be required to make a finding based upon the evidence and facts presented that

the district prior to the bringing of such action had exhausted all other remedies for the collection of debts with respect to such delinquencies. In no event shall foreclosure procedures be instituted by any such district or on its behalf unless such delinquency had been in existence or continued for a period of two years from the date of the first such delinquency for which foreclosure is being sought.

Acts 1982, c. 74.

Library References

Gas ⇐14.6.
Municipal Corporations ⇐712.
Waters and Water Courses ⇐203.
Westlaw Topic Nos. 190, 268, 405.

C.J.S. Gas §§ 64, 84 to 85.
C.J.S. Municipal Corporations § 1535.
C.J.S. Waters §§ 483, 666 to 732.

§ 16-13A-10. Budget

The board shall establish the beginning and ending of its fiscal year, which period shall constitute its budget year, and at least thirty days prior to the beginning of the first full fiscal year after the creation of the district and annually thereafter the general manager shall prepare and submit to the board a tentative budget which shall include all operation and maintenance expenses, payments to a capital replacement account and bond payment schedules for the ensuing fiscal year. Such tentative budget shall be considered by the board, and, subject to any revisions or amendments that may be determined by the board, shall be adopted as the budget for the ensuing fiscal year. Upon adoption of the budget, a copy of the budget shall be forwarded to the county commission. No expenditures for operation and maintenance expenses in excess of the budget shall be made during such fiscal year unless unanimously authorized and directed by the board.

Acts 1953, c. 147; Acts 1981, c. 124.

Library References

Counties ⇐154.5.
Municipal Corporations ⇐879.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1621 to 1622.

Notes of Decisions

In general 1

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1. In general

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16-13A-1 et seq., 16-13A-9, 16-13A-10, 16-13A-13, 16-13A-17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⇐ 110

§ 16-13A-11. Accounts; audit

The general manager, under direction of the board, shall install and maintain a proper system of accounts, in accordance with all rules, regulations or orders

pertaining thereto by the public service commission, showing receipts from operation and application of the same, and the board shall at least once a year cause such accounts to be properly audited: Provided, That such audit may be any audit by an independent public accountant completed within one year of the time required for the submission of the report: Provided, however, That if the district is required to have its books, records and accounts audited annually by an independent certified public accountant as a result of any covenant in any board resolution or bond instrument, a copy of such audit may be submitted in satisfaction of the requirements of this section, and is hereby found, declared and determined to be sufficient to satisfy the requirements of article nine, chapter six of this code pertaining to the annual audit report by the state tax commission. A copy of the audit shall be forwarded within thirty days of submission to the county commission and to the public service commission.

The treasurer of each public service district shall keep and preserve all financial records of the public service district for ten years, and shall at all times have such records readily available for public inspection. At the end of his term of office, the treasurer of each public service district shall promptly deliver all financial records of the public service district to his successor in office. Any treasurer of a public service district who knowingly or willfully violates any provision of this section is guilty of a misdemeanor, and shall be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned in the county jail not more than ten days, or both.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81.

Library References

Counties ⇐154.5.
Municipal Corporations ⇐879.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1621 to 1622.

§ 16-13A-12. Disbursement of district funds

No money may be paid out by a district except upon an order signed by the chairman and secretary of such board, or such other person or persons authorized by the chairman or secretary, as the case may be, to sign such orders on their behalf. Each order for the payment of money shall specify the purposes for which the amount thereof is to be paid, with sufficient clearness to indicate the purpose for which the order is issued, and there shall be endorsed thereon the name of the particular fund out of which it is payable and it shall be payable from the fund constituted for such purpose, and no other. All such orders shall be reflected in the minutes of the next meeting of the board.

Acts 1953, c. 147; Acts 1981, c. 124.

Library References

Counties ⇐158.
Municipal Corporations ⇐883.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 198.
C.J.S. Municipal Corporations §§ 1626, 1635.

§ 16-13A-13. Revenue bonds

For constructing or acquiring any public service properties for the authorized purposes of the district, or necessary or incidental thereto, and for constructing improvements and extensions thereto, and also for reimbursing or paying the costs and expenses of creating the district, the board of any such district is hereby authorized to borrow money from time to time and in evidence thereof issue the bonds of such district, payable solely from the revenues derived from the operation of the public service properties under control of the district. Such bonds may be issued in one or more series, may bear such date or dates, may mature at such time or times not exceeding forty years from their respective dates, may bear interest at such rate or rates not exceeding eighteen percent per annum payable at such times, may be in such form, may carry such registration privileges, may be executed in such manner, may be payable at such place or places, may be subject to such terms of redemption with or without premium, may be declared or become due before maturity date thereof, may be authenticated in any manner, and upon compliance with such conditions, and may contain such terms and covenants as may be provided by resolution or resolutions of the board. Notwithstanding the form or tenor thereof, and in the absence of any express recital on the face thereof, that the bond is nonnegotiable, all such bonds shall be, and shall be treated as, negotiable instruments for all purposes. Bonds bearing the signatures of officers in office on the date of the signing thereof shall be valid and binding for all purposes notwithstanding that before the delivery thereof any or all of the persons whose signatures appear thereon shall have ceased to be such officers. Notwithstanding the requirements or provisions of any other law, any such bonds may be negotiated or sold in such manner and at such time or times as is found by the board to be most advantageous, and all such bonds may be sold at such price that the interest cost of the proceeds therefrom does not exceed nineteen percent per annum, based on the average maturity of such bonds and computed according to standard tables of bond values. Any resolution or resolutions providing for the issuance of such bonds may contain such covenants and restrictions upon the issuance of additional bonds thereafter as may be deemed necessary or advisable for the assurance of the payment of the bonds thereby authorized.

Acts 1953, c. 147; Acts 1970, c. 11; Acts 1970, c. 12; Acts 1970, 1st Ex. Sess., c. 2; Acts 1980, c. 33; Acts 1981, 1st Ex. Sess., c. 2; Acts 1989, c. 174.

Library References

Counties ⇐174.
Municipal Corporations ⇐911.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1647 to 1649.

Notes of Decisions

In general 1

1. In general

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16-13A-1 et seq., 16-13A-9, 16-13A-10, 16-13A-13, 16-13A-17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⇐ 110

Two acts amending same Code section in same manner except as to maximum interest rate of bonds, enacted on same date at same legislative session, and impossible to determine which passed after the other, that having lower maximum interest rate will govern. 53 W.Va. Op.Atty.Gen. 418 (April 8, 1970) 1970 WL 116579.

§ 16-13A-14. Items included in cost of properties

The cost of any public service properties acquired under the provisions of this article shall be deemed to include the cost of the acquisition or construction thereof, the cost of all property rights, easements and franchises deemed necessary or convenient therefor and for the improvements and extensions thereto; for stormwater systems and associated stormwater management programs, those activities which include, but are not limited to, water quality improvement activities necessary to comply with all federal and state requirements; interest upon bonds prior to and during construction or acquisition and for six months after completion of construction or of acquisition of the improvements and extensions; engineering, fiscal agents and legal expenses; expenses for estimates of cost and of revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, and such other expenses as may be necessary or incident to the financing herein authorized, and the construction or acquisition of the properties and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof.

Acts 1953, c. 147; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐154.5.
Municipal Corporations ⇐879.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1621 to 1622.

§ 16-13A-15. Bonds may be secured by trust indenture

In the discretion and at the option of the board such bonds may be secured by a trust indenture by and between the district and a corporate trustee, which may be a trust company or bank having powers of a trust company within or without the State of West Virginia, but no such trust indenture shall convey, mortgage or create any lien upon the public service properties or any part thereof. The resolution authorizing the bonds and fixing the details thereof may provide that such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of bondholders as may be reasonable

and proper, not in violation of law, including covenants setting forth the duties of the district and the members of its board and officers in relation to the construction or acquisition of public service properties and the improvement, extension, operation, repair, maintenance and insurance thereof, and the custody, safeguarding and application of all moneys, and may provide that all or any part of the construction work shall be contracted for, constructed and paid for, under the supervision and approval of consulting engineers employed or designated by the board and satisfactory to the original bond purchasers, their successors, assignees or nominees, who may be given the right to require the security given by contractors and by any depository of the proceeds of bonds or revenues of the public service properties or other money pertaining thereto be satisfactory to such purchasers, their successors, assignees or nominees. Such indenture may set forth the rights and remedies of the bondholders and such trustee.

Acts 1953, c. 147.

Library References

Counties ⇐183.
Municipal Corporations ⇐950(15).
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 222.
C.J.S. Municipal Corporations §§ 1708 to 1709.

United States Code Annotated

Trust Indenture Act of 1939, see 15 U.S.C.A. § 77aaa et seq.

§ 16-13A-16. Sinking fund for revenue bonds

At or before the time of the issuance of any bonds under this article the board shall by resolution or in the trust indenture provide for the creation of a sinking fund and for monthly payments into such fund from the revenues of the public service properties operated by the district such sums in excess of the cost of maintenance and operation of such properties as will be sufficient to pay the accruing interest and retire the bonds at or before the time each will respectively become due and to establish and maintain reserves therefor. All sums which are or should be, in accordance with such provisions, paid into such sinking fund shall be used solely for payment of interest and for the retirement of such bonds at or prior to maturity as may be provided or required by such resolutions.

Acts 1953, c. 147.

Library References

Counties ⇐186.5.
Municipal Corporations ⇐951.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1704 to 1705.

§ 16-13A-17. Collection, etc., of revenues and enforcement of covenants; default; suit, etc., by bondholder or trustee to compel performance of duties; appointment and powers of receiver

The board of any such district shall have power to insert enforceable provisions in any resolution authorizing the issuance of bonds relating to the collection, custody and application of revenues of the district from the operation of the public service properties under its control and to the enforcement of the covenants and undertakings of the district. In the event there shall be default in the sinking fund provisions aforesaid or in the payment of the principal or interest on any of such bonds or, in the event the district or its board or any of its officers, agents or employees, shall fail or refuse to comply with the provisions of this article, or shall default in any covenant or agreement made with respect to the issuance of such bonds or offered as security therefor, then any holder or holders of such bonds and any such trustee under the trust indenture, if there be one, shall have the right by suit, action, mandamus or other proceeding instituted in the circuit court for the county or any of the counties wherein the district extends, or in any other court of competent jurisdiction, to enforce and compel performance of all duties required by this article or undertaken by the district in connection with the issuance of such bonds, and upon application of any such holder or holders, or such trustee, such court shall, upon proof of such defaults, appoint a receiver for the affairs of the district and its properties, which receiver so appointed shall forthwith directly, or by his agents and attorneys, enter into and upon and take possession of the affairs of the district and each and every part thereof, and hold, use, operate, manage and control the same, and in the name of the district exercise all of the rights and powers of such district as shall be deemed expedient, and such receiver shall have power and authority to collect and receive all revenues and apply same in such manner as the court shall direct. Whenever the default causing the appointment of such receiver shall have been cleared and fully discharged and all other defaults shall have been cured, the court may in its discretion and after such notice and hearing as it deems reasonable and proper direct the receiver to surrender possession of the affairs of the district to its board. Such receiver so appointed shall have no power to sell, assign, mortgage, or otherwise dispose of any assets of the district except as hereinbefore provided.

Acts 1953, c. 147.

Library References

Counties ⇐188.
Municipal Corporations ⇐937, 955.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 226.
C.J.S. Municipal Corporations §§ 1707, 1711.

Notes of Decisions

In general 1

1. In general

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16-13A-1 et seq., 16-13A-9, 16-13A-10, 16-13A-13, 16-13A-17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⇦ 110

§ 16-13A-18. Operating contracts

The board may enter into contracts or agreements with any persons, firms or corporations for the operation and management of the public service properties within the district, or any part thereof, for such period of time and under such terms and conditions as shall be agreed upon between the board and such persons, firms or corporations. The board shall have power to provide in the resolution authorizing the issuance of bonds, or in any trust indenture securing such bonds, that such contracts or agreements shall be valid and binding upon the district as long as any of said bonds, or interest thereon, are outstanding and unpaid.

Acts 1953, c. 147.

Library References

Counties ⇦114.
Municipal Corporations ⇦328.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties § 161.
C.J.S. Municipal Corporations §§ 1027 to 1029.

§ 16-13A-18a. Sale, lease or rental of water, sewer, stormwater or gas system by district; distribution of proceeds

In any case where a public service district owns a water, sewer, stormwater or gas system, and a majority of not less than sixty percent of the members of the public service board thereof deem it for the best interests of the district to sell, lease or rent such water, sewer, stormwater or gas system to any municipality or privately-owned water, sewer, stormwater or gas system, or to any water, sewer, stormwater or gas system owned by an adjacent public service district, the board may so sell, lease or rent such water, sewer, stormwater or gas system upon such terms and conditions as said board, in its discretion, considers in the best interests of the district: Provided, That such sale, leasing or rental may be made only upon: (1) The publication of notice of a hearing before the board of the public service district, as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, in a newspaper published and of general circulation in the county or counties wherein the district is located, such publication to be made not earlier than twenty days and not later than seven days prior to the hearing; (2) approval by the county commission or commissions of the county or counties in which the district operates; and (3) approval by the public service commission of West Virginia.

In the event of any such sale, the proceeds thereof, if any, remaining after payment of all outstanding bonds and other obligations of the district, shall be ratably distributed to any persons who have made contributions in aid of construction of such water, sewer, stormwater or gas system, such distribution not to exceed the actual amount of any such contribution, without interest, and any balance of funds thereafter remaining shall be paid to the county commission of the county in which the major portion of such water, sewer, stormwater or gas system is located to be placed in the general funds of such county commission.

Acts 1963, c. 75; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 160, eff. 90 days after April 10, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐110.
Municipal Corporations ⇐225.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 147.
C.J.S. Municipal Corporations §§ 882 to 892.

§ 16-13A-19. Statutory mortgage lien created; foreclosure thereof

There shall be and is hereby created a statutory mortgage lien upon such public service properties of the district, which shall exist in favor of the holders of bonds hereby authorized to be issued, and each of them, and the coupons attached to said bonds, and such public service properties shall remain subject to such statutory mortgage lien until payment in full of all principal of and interest on such bonds. Any holder of such bonds, of any coupons attached thereto, may, either at law or in equity, enforce said statutory mortgage lien conferred hereby and upon default in the payment of the principal of or interest on said bonds, may foreclose such statutory mortgage lien in the manner now provided by the laws of the State of West Virginia for the foreclosure of mortgages on real property.

Acts 1953, c. 147.

Library References

Counties ⇐188.
Municipal Corporations ⇐937, 955.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 226.
C.J.S. Municipal Corporations §§ 1707, 1711.

Notes of Decisions

In general 1

1. In general

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⇐ 222; Municipal Corporations ⇐ 225(1)

§ 16-13A-20. Refunding revenue bonds

The board of any district having issued bonds under the provisions of this article is hereby empowered thereafter by resolution to issue refunding bonds of such district for the purpose of retiring or refinancing such outstanding

bonds, together with any unpaid interest thereon and redemption premium thereunto appertaining and all of the provisions of this article relating to the issuance, security and payment of bonds shall be applicable to such refunding bonds, subject, however, to the provisions of the proceedings which authorized the issuance of the bonds to be so refunded.

Acts 1953, c. 147.

Library References

Counties ⇐175.
Municipal Corporations ⇐913.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1647 to 1648, 1651.

§ 16-13A-21. Complete authority of article; liberal construction; district to be public instrumentality; tax exemption

This article is full and complete authority for the creation of public service districts and for carrying out the powers and duties of same as herein provided. The provisions of this article shall be liberally construed to accomplish its purpose and no procedure or proceedings, notices, consents or approvals, are required in connection therewith except as may be prescribed by this article: Provided, That all functions, powers and duties of the public service commission of West Virginia, the bureau of public health, the division of environmental protection and the environmental quality board remain unaffected by this article. Every district organized, consolidated, merged or expanded under this article is a public instrumentality created and functioning in the interest and for the benefit of the public, and its property and income and any bonds issued by it are exempt from taxation by the state of West Virginia, and the other taxing bodies of the state: Provided, however, That the board of any such district may use and apply any of its available revenues and income for the payment of what such board determines to be tax or license fee equivalents to any local taxing body and in any proceedings for the issuance of bonds of such district may reserve the right to annually pay a fixed or computable sum to such taxing bodies as such tax or license fee equivalent.

Acts 1953, c. 147; Acts 1986, c. 81; Acts 1994, c. 61.

Library References

Counties ⇐18.
Municipal Corporations ⇐5.
Taxation ⇐2316, 3519.
Westlaw Topic Nos. 104, 268, 371.
C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.

Notes of Decisions

In general 2
Validity 1

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1. Validity

Statute authorizing creation of public service districts violates no provision of State Constitution, nor is it violative of Fourteenth Amendment to United States Constitution. Act 1953, c. 147; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇐ 4056; Municipal Corporations ⇐ 4

Statute authorizing creation of public service districts does not, in so far as it requires County Court to define territory to be included in public service district and appoint a board to govern same in first instance, involve unconstitutional

delegation of judicial functions to the County Court, Acts 1953, c. 147; Const. art. 8, § 24. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇦ 2355; Municipal Corporations ⇦ 4

2. In general

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⇦ 222; Municipal Corporations ⇦ 225(1)

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying water and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6, § 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⇦ 123(3); Statutes ⇦ 123(5)

§ 16-13A-22. Validation of prior acts and proceedings of county courts for creation of districts, inclusion of additional territory, and appointment of members of district boards

All acts and proceedings taken by any county court of this State purporting to have been carried out under the provisions of this article which have been taken, prior to the date this section takes effect, for the purpose of creating public service districts or for the purpose of subsequent inclusion of additional territory to existing public service districts, after notice published by any such county court having territorial jurisdiction thereof of its intention to include such additional territory after hearing thereon, are hereby validated, ratified, approved and confirmed notwithstanding any other lack of power (other than constitutional) of any such county court to create such public service districts or to include additional territory to existing public service districts or irregularities (other than constitutional) in such proceedings, relating to the appointment and qualification of more than three members to the board of any such public service district or the subsequent appointment of successors of any or all of such members, notwithstanding that no city, incorporated town or other municipal corporation having a population in excess of three thousand is included within the district, and the appointment and qualification of such members, and further including any irregularities in the petition for the creation of any public service district, irregularities in the description of the area embraced by such district, and irregularities in the notice and publication of notice for the hearing creating such district, prior to the date this section takes effect, is hereby validated, ratified, approved and confirmed; and, further, in such cases where more than three members of the board of such districts have been so appointed prior to the date this section takes effect then such county court shall appoint, and they are hereby authorized and empowered to appoint, successors to such members in the manner as otherwise provided by this article.

Acts 1958, c. 14; Acts 1960, c. 19.

W.Va. Const., art. IX, § 9, redesignated the office of the county court as county commission.

Library References

Counties ⇐18.
Municipal Corporations ⇐5.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.

§ 16–13A–23. Validation of acts and proceedings of public service boards

All acts and proceedings taken by any public service board the members of which were appointed, prior to the date this section takes effect, by any county court of this State having territorial jurisdiction thereof, are hereby validated, ratified, approved and confirmed, as to defects and irregularities which may otherwise exist on account of their appointment and qualification: Provided, however, That nothing herein contained shall be construed to excuse a criminal act.

Acts 1958, c. 14; Acts 1960, c. 19; Acts 1965, c. 134.

W.Va. Const., art. IX, § 9, redesignated the office of the county court as county commission.

Library References

Counties ⇐47.
Municipal Corporations ⇐166.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 70 to 73.
C.J.S. Municipal Corporations §§ 369 to 371.

§ 16–13A–24. Acceptance of loans, grants or temporary advances

Any public service district created pursuant to the provisions of this article is authorized and empowered to accept loans or grants and procure loans or temporary advances evidenced by notes or other negotiable instruments issued in the manner, and subject to the privileges and limitations, set forth with respect to bonds authorized to be issued under the provisions of this article, for the purpose of paying part or all of the cost of construction or acquisition of water systems, sewage systems, stormwater systems or stormwater management systems or gas facilities, or all of these, and the other purposes herein authorized, from any authorized agency or from the United States of America or any federal or public agency or department of the United States or any private agency, corporation or individual, which loans or temporary advances, including the interest thereon, may be repaid out of the proceeds of the bonds authorized to be issued under the provisions of this article, the revenues of the said water system, sewage system, stormwater system or associated stormwater management system or gas facilities, or grants to the public service district from any authorized agency or from the United States of America or any federal or public agency or department of the United States or from any private agency, corporation or individual or from any combination of such sources of payment, and to enter into the necessary contracts and agreements to carry out the purposes hereof with any authorized agency or the United States of America or any federal or public agency or department of the United States, or with any private agency, corporation or individual. Any other provisions of this article to the contrary notwithstanding, interest on any such loans or temporary

advances may be paid from the proceeds thereof until the maturity of such notes or other negotiable instrument.

Acts 1958, c. 14; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 118; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐149.
Municipal Corporations ⇐864(3).
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 185, 187.
C.J.S. Municipal Corporations §§ 1583 to 1585, 1587.

Notes of Decisions

In general 1

1. In general

The borrowing by PSD's of money from counties and/or municipalities, as evidenced by a note, is permissible borrowing under this section. 62 W.Va. Op.Atty.Gen. 27 (May 6, 1988) 1988 WL 483331.

§ 16-13A-25. Borrowing and bond issuance; procedure

(a) Notwithstanding any other provisions of this article to the contrary, a public service district may not borrow money, enter into contracts for the provision of engineering, design or feasibility studies, issue or contract to issue revenue bonds or exercise any of the powers conferred by the provisions of section thirteen, twenty or twenty-four of this article without the prior consent and approval of the Public Service Commission: *Provided*, That approval of funding set forth in section eleven, article two, chapter twenty-four of this code or this section is not required if the funding is for a project which has received a certificate of public convenience and necessity after the eighth day of July, two thousand five, from the commission and where the cost of the project changes but the change does not affect the rates established for the project.

(b) The Public Service Commission may waive the provision of prior consent and approval for entering into contracts for engineering, design or feasibility studies pursuant to this section for good cause shown which is evidenced by the public service district filing a request for waiver of this section stated in a letter directed to the commission with a brief description of the project, a verified statement by the board members that the public service district has complied with chapter five-g of this code, and further explanation of ability to evaluate their own engineering contract, including, but not limited to:

(1) Experience with the same engineering firm; or

(2) Completion of a construction project requiring engineering services. The district shall also forward an executed copy of the engineering contract to the commission after receiving approval of the waiver.

(c) An engineering contract that meets one or more of the following criteria is exempt from the waiver or approval requirements:

(1) A contract with a public service district that is a Class A utility on the first day of April, two thousand three, or subsequently becomes a Class A utility as defined by commission rule;

(2) A contract with a public service district that does not require borrowing and that can be paid out of existing rates;

(3) A contract where the payment of engineering fees are contingent upon the receipt of funding, and commission approval of the funding, to construct the project which is the subject of the contract; or

(4) A contract that does not exceed fifteen thousand dollars.

(d) Requests for approval or waivers of engineering contracts shall be deemed granted thirty days after the filing date unless the staff of the Public Service Commission or a party files an objection to the request. If an objection is filed, the Public Service Commission shall issue its decision within one hundred twenty days of the filing date. In the event objection is received to a request for a waiver, the application shall be considered a request for waiver as well as a request for approval in the event a waiver is not appropriate.

(e) Unless the properties to be constructed or acquired represent ordinary extensions or repairs of existing systems in the usual course of business, a public service district must first obtain a certificate of public convenience and necessity from the Public Service Commission in accordance with the provision of chapter twenty-four of this code when a public service district is seeking to acquire or construct public service property.

Acts 1969, 1st Ex. Sess., c. 6; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1996, c. 213, eff. 90 days after March 9, 1996; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2003, c. 184, eff. 90 days after March 7, 2003; Acts 2005, c. 193, eff. 90 days after April 9, 2005; Acts 2006, c. 190, eff. 90 days after March 10, 2006.

Library References

Counties ⇐114.
Municipal Corporations ⇐270.
Public Utilities ⇐145.
Westlaw Topic Nos. 104, 268, 317A.

C.J.S. Counties § 161.
C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Research References

ALR Library

101 ALR 5th 287, Remedies for Sewage Treatment Plant Alleged or Deemed to be Nuisance.

Notes of Decisions

In general 1
Certificate of public convenience and necessity 2

1. In general

Proposed sewage treatment project complied with buffer zone requirements where all parties acknowledged that distance of proposed sewage lagoons from property owners' home was further than minimum buffer-zone requirement of 300 feet; Public Service Commission relied on ample evidence in record to support claim that proposed location was both cost-effective and environmentally sound. Code, 16-13A-25, 24-2-11, 24-2-11(a). Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Municipal Corporations ⇐ 708

2. Certificate of public convenience and necessity

Public Service district must obtain certificate of public convenience and necessity before it can acquire or construct public service property. Code, 16-13A-25. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Public Utilities ⇐ 113

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Annotated Code of West Virginia

Using the Classification and Numbering System of the 1931 Code of West Virginia, as Amended

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Chapter 16

2013
Cumulative Annual Pocket Part

Replacing 2012 Pocket Part supplementing 2008 Main Volume

Includes laws through the 2013 First Extraordinary Session

THOMSON REUTERS

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normal filing fee and reasonable costs which were previously deferred. In addition, each public service district may exchange with other public service districts a list of delinquent accounts: *Provided,* That an owner of real property may not be held liable for the delinquent rates or charges for services or facilities of a tenant, nor may any lien attach to real property for the reason of delinquent rates or charges for services or facilities of a tenant of the real property, unless the owner has contracted directly with the public service district to purchase the services or facilities.

(g) Anything in this section to the contrary notwithstanding, any establishment, as defined in section three, article eleven, chapter twenty-two of this code, now or hereafter operating its own sewage disposal system pursuant to a permit issued by the Department of Environmental Protection, as prescribed by section eleven of said article, is exempt from the provisions of this section.

(h) A public service district which has been designated by the Environmental Protection Agency as an entity to serve a West Virginia Separate Storm Sewer System community shall prepare an annual report detailing the collection and expenditure of rates, fees or charges and make it available for public review at the place of business of the governing body and the stormwater utility main office.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1989, c. 174; Acts 1994, c. 61; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2003, c. 183, eff. 90 days after March 8, 2003; Acts 2008, c. 202, eff. March 8, 2008; Acts 2010, c. 201, eff. June 11, 2010.

§ 16–13A–15. Bonds may be secured by trust indenture

United States Code Annotated

Trust Indenture Act of 1939, see 15 U.S.C.A. § 77aaa et seq.

ARTICLE 13D

REGIONAL WATER AND WASTEWATER AUTHORITY ACT

§ 16–13D–11. Bonds may be secured by trust indenture

United States Code Annotated

Trust Indenture Act of 1939, see 15 U.S.C.A. § 77aaa et seq.

ARTICLE 13E

COMMUNITY ENHANCEMENT ACT

Section		Section	
16–13E–2.	Definitions.		assessments; report on project completion; credits.
16–13E–4.	Petition for creation or expansion of community enhancement district; petition requirements.	16–13E–10a.	Extension of vesting period for land development plans and plats; approval of phases.
16–13E–8.	Notice to property owners of assessments; correcting and laying		

§ 16–13E–2. Definitions

For purposes of this article:

(a) "Assessment bonds" means special obligation bonds or notes issued by a community enhancement district which are payable from the proceeds of assessments.

(b) "Assessment" means the fee, including interest, paid by the owner of real property located within a community enhancement district to pay for the cost of a project or projects

district. For purposes of this section, "rate-paying residential customer" means a person who:

(1) In the case of a water or sewer public service district, is physically connected to and actively receiving residential public service district utility services; or

(2) In the case of a storm water public service district, has storm water conveyed away from the residential property by a utility owned system; and

(3) Has an active account in good standing and is the occupier of the residential property which is on the public service district utility service account.

Each board member shall, within six months of taking office, successfully complete the training program to be established and administered by the Public Service Commission in conjunction with the Department of Environmental Protection and the Bureau for Public Health. Board members shall not be or become pecuniarily interested, directly or indirectly, in the proceeds of any contract or service, or in furnishing any supplies or materials to the district nor shall a former board member be hired by the district in any capacity within a minimum of twelve months after board member's term has expired or such board member has resigned from the district board. The members shall be appointed in the following manner:

Each city, incorporated town or other municipal corporation having a population of more than three thousand but less than eighteen thousand is entitled to appoint one member of the board, and each city, incorporated town or other municipal corporation having a population in excess of eighteen thousand shall be entitled to appoint one additional member of the board for each additional eighteen thousand population. The members of the board representing such cities, incorporated towns or other municipal corporations shall be residents thereof and shall be appointed by a resolution of the governing bodies thereof and upon the filing of a certified copy or copies of the resolution or resolutions in the office of the clerk of the county commission which entered the order creating the district, the persons so appointed become members of the board without any further act or proceedings. If the number of members of the board so appointed by the governing bodies of cities, incorporated towns or other municipal corporations included in the district equals or exceeds three, then no further members shall be appointed to the board and the members so appointed are the board of the district except in cases of merger or consolidation where the number of board members may equal five.

If no city, incorporated town or other municipal corporation having a population of more than three thousand is included within the district, then the county commission which entered the order creating the district shall appoint three members of the board, who are persons residing within the district and residing within the State of West Virginia, which three members become members of the board of the district without any further act or proceedings except in cases of merger or consolidation where the number of board members may equal five.

If the number of members of the board appointed by the governing bodies of cities, incorporated towns or other municipal corporations included within the district is less than three, then the county commission which entered the order creating the district shall appoint such additional member or members of the board, who are persons residing within the district, as is necessary to make the number of members of the board equal three except in cases of merger or consolidation where the number of board members may equal five, and the member or members appointed by the governing bodies of the cities, incorporated towns or other municipal corporations included within the district and the additional member or members appointed by the county commission as aforesaid, are the board of the district. A person may serve as a member of the board in one or more public service districts.

The population of any city, incorporated town or other municipal corporation, for the purpose of determining the number of members of the board, if any, to be appointed by the governing body or bodies thereof, is the population stated for such city, incorporated town or other municipal corporation in the last official federal census.

Notwithstanding any provision of this code to the contrary, whenever a district is consolidated or merged pursuant to section two of this article, the terms of office of the existing board members shall end on the effective date of the merger or consolidation. The

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county commission shall appoint a new board according to rules promulgated by the Public Service Commission. Whenever districts are consolidated or merged no provision of this code prohibits the expansion of membership on the new board to five.

The respective terms of office of the members of the first board shall be fixed by the county commission and shall be as equally divided as may be, that is approximately one third of the members for a term of two years, a like number for a term of four years, the term of the remaining member or members for six years, from the first day of the month during which the appointments are made. The first members of the board appointed as aforesaid shall meet at the office of the clerk of the county commission which entered the order creating the district as soon as practicable after the appointments and shall qualify by taking an oath of office: *Provided,* That any member or members of the board may be removed from their respective office as provided in section three-a of this article.

Any vacancy shall be filled for the unexpired term within thirty days; otherwise successor members of the board shall be appointed for terms of six years and the terms of office shall continue until successors have been appointed and qualified. All successor members shall be appointed in the same manner as the member succeeded was appointed. The district shall provide to the Public Service Commission, within thirty days of the appointment, the following information: The new board member's name, home address, home and office phone numbers, date of appointment, length of term, who the new member replaces and if the new appointee has previously served on the board. The Public Service Commission shall notify each new board member of the legal obligation to attend training as prescribed in this section.

The board shall organize within thirty days following the first appointments and annually thereafter at its first meeting after January 1 of each year by selecting one of its members to serve as chair and by appointing a secretary and a treasurer who need not be members of the board. The secretary shall keep a record of all proceedings of the board which shall be available for inspection as other public records. Duplicate records shall be filed with the county commission and shall include the minutes of all board meetings. The treasurer is lawful custodian of all funds of the public service district and shall pay same out on orders authorized or approved by the board. The secretary and treasurer shall perform other duties appertaining to the affairs of the district and shall receive salaries as shall be prescribed by the board. The treasurer shall furnish bond in an amount to be fixed by the board for the use and benefit of the district.

The members of the board, and the chair, secretary and treasurer thereof, shall make available to the county commission, at all times, all of its books and records pertaining to the district's operation, finances and affairs, for inspection and audit. The board shall meet at least monthly.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1971, c. 72; Acts 1981, c. 124; Acts 1983, c. 166; Acts 1986, c. 81; Acts 1994, c. 61; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2013, c. 163, eff. July 1, 2013.

§ 16–13A–4. Board chairman; members' compensation; procedure; district name

(a) The chairman shall preside at all meetings of the board and may vote as any other member of the board. If the chairman is absent from any meeting, the remaining members may select a temporary chairman and if the member selected as chairman resigns as such or ceases for any reason to be a member of the board, the board shall select one of its members as chairman to serve until the next annual organization meeting.

(b) Salaries of the board members are:

(1) For districts with fewer than six hundred customers, up to $100 per attendance at regular monthly meetings and $75 per attendance at additional special meetings, total salary not to exceed $2,000 per annum;

(2) For districts with six hundred customers or more but fewer than two thousand customers, up to $125 per attendance at regular monthly meetings and $100 per attendance at additional special meetings, total salary not to exceed $3,250 per annum;

(3) For districts with two thousand customers or more, but fewer than four thousand customers, up to $150 per attendance at regular monthly meetings and $100 per attendance at additional special meetings, total salary not to exceed $4,500 per annum; and

(4) For districts with four thousand or more customers, up to $200 per attendance at regular monthly meetings and $150 per attendance at additional special meetings, total salary not to exceed $6,400 per annum.

The public service district shall certify the number of customers served to the Public Service Commission on July 1 of each fiscal year.

(c) Public service districts selling water to other water utilities for resale or public service districts which provide sewer treatment for other sewer utilities may adopt the following salaries for its board members:

(1) For districts with annual revenues of less than $50,000, up to $100 per attendance at regular monthly meetings and $75 per attendance at additional special meetings, total salary not to exceed $2,000 per annum;

(2) For districts with annual revenues of $50,000 or more, but less than $250,000, up to $125 per attendance at regular monthly meetings and $100 per attendance at special meetings, total salary not to exceed $3,250 per annum;

(3) For districts with annual revenues of $250,000 or more, but less than $500,000, up to $150 per attendance at regular monthly meetings and $100 per attendance at additional special meetings, total salary not to exceed $4,500 per annum; and

(4) For districts with annual revenues of $500,000 or more, up to $200 per attendance at regular monthly meetings and $150 per attendance at additional special meetings, total salary not to exceed $6,400 per annum.

The public service district shall certify the number of customers served and its annual revenue to the Public Service Commission on July 1 of each fiscal year.

(d) Board members may be reimbursed for all reasonable and necessary expenses actually incurred in the performance of their duties as provided by the rules of the board. Notwithstanding any other provision of this code to the contrary, board members are not eligible for salary payment or reimbursement for expenses incurred prior to the public service district initiating service to its first customer. Salary and reimbursement for expenses may be incurred only at meetings occurring after the public service district initiated service to customers.

(e) The board shall by resolution determine its own rules of procedure, fix the time and place of its meetings and the manner in which special meetings may be called. Public notice of meetings shall be given in accordance with section three, article nine-a, chapter six of this code. Emergency meetings may be called as provided by that section. A majority of the members constituting the board also constitute a quorum to do business.

(f) The members of the board are not personally liable or responsible for any obligations of the district or the board, but are answerable only for willful misconduct in the performance of their duties. The county commission which created a district or county commissions if more than one created the district may, upon written request of the district, adopt an order changing the official name of a public service district: *Provided,* That the name change will not be effective until approved by the Public Service Commission of West Virginia and the owners of any bonds and notes issued by the district, if any, shall have consented, in writing, to the name change. If a district includes territory located in more than one county, the county commission or county commissions changing the name of the district shall provide any county commission into which the district also extends with a certified copy of the order changing the name of the district. The official name of any district created under the provisions of this article may contain the name or names of any city, incorporated town or other municipal corporation included therein or the name of any county or counties in which it is located.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2000, c. 199, eff. 90 days after March 11, 2000; Acts 2005, c. 196, eff. 90 days after April 8, 2005; Acts 2013, c. 163, eff. July 1, 2013.

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§ 16–13A–7. Acquisition and operation of district properties

The board of these districts shall have the supervision and control of all public service properties acquired or constructed by the district, and shall have the power, and it shall be its duty, to maintain, operate, extend and improve the same, including, but not limited to, those activities necessary to comply with all federal and state requirements, including water quality improvement activities. All contracts involving the expenditure by the district of more than $25,000 for construction work or for the purchase of equipment and improvements, extensions or replacements, shall be entered into only after notice inviting bids shall have been published as a Class I legal advertisement in compliance with the provision of article three, chapter fifty-nine of this code, and the publication area for such publication shall be as specified in section two of this article in the county or counties in which the district is located. The publication shall not be less than ten days prior to the making of any such contract. To the extent allowed by law, in-state contractors shall be given first priority in awarding public service district contracts. It shall be the duty of the board to ensure that local in-state labor shall be utilized to the greatest extent possible when hiring laborers for public service district construction or maintenance repair jobs. It shall further be the duty of the board to encourage contractors to use American made products in their construction to the extent possible. Any obligations incurred of any kind or character shall not in any event constitute or be deemed an indebtedness within the meaning of any of the provisions or limitations of the Constitution, but all such obligations shall be payable solely and only out of revenues derived from the operation of the public service properties of the district or from proceeds of bonds issued as hereinafter provided. No continuing contract for the purchase of materials or supplies or for furnishing the district with electrical energy or power shall be entered into for a longer period than fifteen years.

Acts 1953, c. 147; Acts 1967, c. 105; Acts 1981, c. 124; Acts 1982, c. 24; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2011, c. 147, eff. June 9, 2011.

§ 16–13A–9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees

(a)(1) The board may make, enact and enforce all needful rules in connection with the acquisition, construction, improvement, extension, management, maintenance, operation, care, protection and the use of any public service properties owned or controlled by the district. The board shall establish rates, fees and charges for the services and facilities it furnishes, which shall be sufficient at all times, notwithstanding the provisions of any other law or laws, to pay the cost of maintenance, operation and depreciation of the public service properties and principal of and interest on all bonds issued, other obligations incurred under the provisions of this article and all reserve or other payments provided for in the proceedings which authorized the issuance of any bonds under this article. The schedule of the rates, fees and charges may be based upon:

(A) The consumption of water or gas on premises connected with the facilities, taking into consideration domestic, commercial, industrial and public use of water and gas;

(B) The number and kind of fixtures connected with the facilities located on the various premises;

(C) The number of persons served by the facilities;

(D) Any combination of paragraphs (A), (B) and (C) of this subdivision; or

(E) May be determined on any other basis or classification which the board may determine to be fair and reasonable, taking into consideration the location of the premises served and the nature and extent of the services and facilities furnished. However, no rates, fees or charges for stormwater services may be assessed against highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia Division of Highways.

(2) Where water, sewer, stormwater or gas services, or any combination thereof, are all furnished to any premises, the schedule of charges may be billed as a single amount for the aggregate of the charges. The board shall require all users of services and facilities furnished by the district to designate on every application for service whether the applicant is

a tenant or an owner of the premises to be served. If the applicant is a tenant, he or sh shall state the name and address of the owner or owners of the premises to be served by th district. Notwithstanding the provisions of section eight, article three, chapter twenty-four (this code to the contrary, all new applicants for service shall deposit the greater of a sur equal to two twelfths of the average annual usage of the applicant's specific customer class o $50, with the district to secure the payment of service rates, fees and charges in the even they become delinquent as provided in this section. If a district provides both water an sewer service, all new applicants for service shall deposit the greater of a sum equal to tw twelfths of the average annual usage for water service or $50 and the greater of a sum equ to two twelfths of the average annual usage for wastewater service of the applicant's specifi customer class or $50. In any case where a deposit is forfeited to pay service rates, fees an charges which were delinquent at the time of disconnection or termination of service, n reconnection or reinstatement of service may be made by the district until another deposi equal to the greater of a sum equal to two twelfths of the average usage for the applicant', specific customer class or $50 has been remitted to the district. After twelve months o prompt payment history, the district shall return the deposit to the customer or credit th customer's account at a rate as the Public Service Commission may prescribe: *Provided,* Tha where the customer is a tenant, the district is not required to return the deposit until the tim the tenant discontinues service with the district. Whenever any rates, fees, rentals o charges for services or facilities furnished remain unpaid for a period of twenty days after th same become due and payable, the user of the services and facilities provided is delinquent and the user is liable at law until all rates, fees and charges are fully paid. The board may under reasonable rules promulgated by the Public Service Commission, shut off and discon tinue water or gas services to all delinquent users of either water or gas facilities, or both, ten days after the water or gas services become delinquent. *Provided, however,* That nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the board to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill.

(b) In the event that any publicly or privately owned utility, city, incorporated town, other municipal corporation or other public service district included within the district owns and operates separately water facilities, sewer facilities or stormwater facilities and the district owns and operates another kind of facility either water or sewer, or both, as the case may be, then the district and the publicly or privately owned utility, city, incorporated town or other municipal corporation or other public service district shall covenant and contract with each other to shut off and discontinue the supplying of water service for the nonpayment of sewer or stormwater service fees and charges: *Provided,* That any contracts entered into by a public service district pursuant to this section shall be submitted to the Public Service Commission for approval. Any public service district which provides water and sewer service, water and stormwater service or water, sewer and stormwater service has the right to terminate water service for delinquency in payment of water, sewer or stormwater bills. Where one public service district is providing sewer service and another public service district or a municipality included within the boundaries of the sewer or stormwater district is providing water service and the district providing sewer or stormwater service experiences a delinquency in payment, the district or the municipality included within the boundaries of the sewer or stormwater district that is providing water service, upon the request of the district providing sewer or stormwater service to the delinquent account, shall terminate its water service to the customer having the delinquent sewer or stormwater account: *Provided, however,* That any termination of water service must comply with all rules and orders of the Public Service Commission. *Provided further,* That nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the Public Service Districts to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill.

(c) Any district furnishing sewer facilities within the district may require, or may by petition to the circuit court of the county in which the property is located, compel or may require the Division of Health to compel all owners, tenants or occupants of any houses, dwellings and buildings located near any sewer facilities where sewage will flow by gravity or be transported by other methods approved by the Division of Health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine,

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article one, chapter sixteen of this code, from the houses, dwellings or buildings into the sewer facilities, to connect with and use the sewer facilities and to cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from the houses, dwellings and buildings where there is gravity flow or transportation by any other methods approved by the Division of Health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one, chapter sixteen of this code and the houses, dwellings and buildings can be adequately served by the sewer facilities of the district and it is declared that the mandatory use of the sewer facilities provided for in this paragraph is necessary and essential for the health and welfare of the inhabitants and residents of the districts and of the state. If the public service district requires the property owner to connect with the sewer facilities even when sewage from dwellings may not flow to the main line by gravity and the property owner incurs costs for any changes in the existing dwellings' exterior plumbing in order to connect to the main sewer line, the Public Service District Board shall authorize the district to pay all reasonable costs for the changes in the exterior plumbing, including, but not limited to, installation, operation, maintenance and purchase of a pump or any other method approved by the Division of Health. Maintenance and operation costs for the extra installation should be reflected in the users charge for approval of the Public Service Commission. The circuit court shall adjudicate the merits of the petition by summary hearing to be held not later than thirty days after service of petition to the appropriate owners, tenants or occupants.

(d) Whenever any district has made available sewer facilities to any owner, tenant or occupant of any house, dwelling or building located near the sewer facility and the engineer for the district has certified that the sewer facilities are available to and are adequate to serve the owner, tenant or occupant and sewage will flow by gravity or be transported by other methods approved by the Division of Health from the house, dwelling or building into the sewer facilities, the district may charge, and the owner, tenant or occupant shall pay, the rates and charges for services established under this article only after thirty-day notice of the availability of the facilities has been received by the owner, tenant or occupant. Rates and charges for sewage services shall be based upon actual water consumption or the average monthly water consumption based upon the owner's, tenant's or occupant's specific customer class.

(e) The owner, tenant or occupant of any real property may be determined and declared to be served by a stormwater system only after each of the following conditions is met: (1) The district has been designated by the Environmental Protection Agency as an entity to serve a West Virginia Separate Storm Sewer System community, as defined in 40 C.F.R. § 122.26; (2) the district's authority has been properly expanded to operate and maintain a stormwater system; (3) the district has made available a stormwater system where stormwater from the real property affects or drains into the stormwater system; and (4) the real property is located in the Municipal Separate Storm Sewer System's designated service area. It is further hereby found, determined and declared that the mandatory use of the stormwater system is necessary and essential for the health and welfare of the inhabitants and residents of the district and of the state. The district may charge and the owner, tenant or occupant shall pay the rates, fees and charges for stormwater services established under this article only after thirty-day notice of the availability of the stormwater system has been received by the owner. An entity providing stormwater service shall provide a tenant a report of the stormwater fee charged for the entire property and, if appropriate, that portion of the fee to be assessed to the tenant.

(f) All delinquent fees, rates and charges of the district for either water facilities, sewer facilities, gas facilities or stormwater systems or stormwater management programs are liens on the premises served of equal dignity, rank and priority with the lien on the premises of state, county, school and municipal taxes. Nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the Public Service Districts to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill. In addition to the other remedies provided in this section, public service districts are granted a deferral of filing fees or other fees and costs incidental to the bringing and maintenance of an action in magistrate court for the collection of delinquent water, sewer, stormwater or gas bills. If the district collects the delinquent account, plus reasonable costs, from its customer or other responsible party, the district shall pay to the magistrate the

(m) Notice of a violation of a municipal stormwater ordinance or regulation shall be served in person to the alleged violator or by certified mail, return receipt requested. The notice shall state the nature of the violation, the potential penalty, the action required to correct the violation and the time limit for making the correction. Should a person, after receipt of proper notice, fail to correct the violation of the municipal stormwater ordinance or regulation, the municipality may make or have made the corrections of the violation and bring the party into compliance with the applicable stormwater ordinance or regulation. The municipality may collect the costs of correcting the violation from the person by instituting a civil action, as long as such actions are not contrary to any rules or orders of the Public Service Commission.

(n) A municipality which has been designated by the Environmental Protection Agency as an entity to serve a West Virginia Separate Storm Sewer System community shall prepare an annual report detailing the collection and expenditure of rates, fees or charges and make it available for public review at the place of business of the governing body and the stormwater utility main office.

Acts 1955, c. 135; Acts 1967, c. 105; Acts 1994, c. 61; Acts 2001, c. 212, eff. 90 days after April 14, 2001; Acts 2008, c. 202, eff. March 8, 2008.

ARTICLE 13A

PUBLIC SERVICE DISTRICTS

Section		Section	
16–13A–3.	District to be a public corporation and political subdivision; powers thereof; public service boards.	16–13A–7.	Acquisition and operation of district properties.
16–13A–4.	Board chairman; members' compensation; procedure; district name.	16–13A–9.	Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees.

§ 16–13A–3. District to be a public corporation and political subdivision; powers thereof; public service boards

From and after the date of the adoption of the order creating any public service district, it is a public corporation and political subdivision of the state, but without any power to levy or collect ad valorem taxes. Each district may acquire, own and hold property, both real and personal, in its corporate name, and may sue, may be sued, may adopt an official seal and may enter into contracts necessary or incidental to its purposes, including contracts with any city, incorporated town or other municipal corporation located within or without its boundaries for furnishing wholesale supply of water for the distribution system of the city, town or other municipal corporation, or for furnishing storm water services for the city, town or other municipal corporation, and contract for the operation, maintenance, servicing, repair and extension of any properties owned by it or for the operation and improvement or extension by the district of all or any part of the existing municipally owned public service properties of any city, incorporated town or other municipal corporation included within the district: *Provided,* That no contract shall extend beyond a maximum of forty years, but provisions may be included therein for a renewal or successive renewals thereof and shall conform to and comply with the rights of the holders of any outstanding bonds issued by the municipalities for the public service properties.

The powers of each public service district shall be vested in and exercised by a public service board consisting of not less than three members who shall be persons residing within the district, who possess certain educational, business or work experience which will be conducive to operating a public service district. In the event the public service district is providing any utility service and billing rates and charges to its customers, at least one board member shall be a rate-paying residential customer of the public service district: *Provided,* That if an existing public service board does not have a member who is a rate-paying residential customer of the public service district on July 1, 2013, the next following appointment to the board shall be a rate-paying residential customer of that public service

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WEST VIRGINIA, GREENBRIER COUNTY COURT

REGULAR FEBRUARY 7, 1967, TERM.

It is ORDERED that the creation of a Public Service District, pursuant to Chapter 16, Article 13A, Section 2 of the West Virginia Code, embracing the territory within the magisterial district lines of Fort Spring and Lewisburg Magisterial Districts, for the purpose of the construction, maintenance and operation of properties to supply sewage services therein, to be named Greenbrier

Public Service District No. 1 be, and the same is hereby, proposed, and that the 2nd day of March, 1967, at 1:30 o'clock, P. M., in the Circuit Court Room of the Court House of Greenbrier County, West Virginia, at Lewisburg, in said county, be, and the same is hereby fixed as the time and place of a hearing on the creation of the proposed Public Service District, at which hearing all persons residing in, or owning, or having any interest in property in such proposed Public Service District shall have an opportunity to be heard for and against the creation of the same, and the Court shall consider and determine the feasibility of the creation of the proposed district.

It is further ORDERED that the County Clerk shall cause notice of such hearing and the time and place thereof, setting forth a description of all of the territory proposed to be included in said proposed Public Service District, to be given by publication at least once in a newspaper of general circulation published in Greenbrier County, West Virginia, at least ten days prior to such hearing.

Teste: Charles W. Lewis, President.

STATE OF WEST VIRGINIA,

COUNTY OF GREENBRIER, TO-WIT:

I, R. Sandra Morgan, Clerk of the County Commission in and for the County and State aforesaid, do hereby certify that the foregoing is a true and exact copy of the Order of the Greenbrier County Commission proposing the creation of Greenbrier Public Service District # 1,as is recorded in the General Order Book # 19, at page 219.

Given under my hand and seal of said Commission at the Court House, thereof, on this 2nd day of July, 1996.

R. Sandra Morgan

R. Sandra Morgan, Clerk
Greenbrier County Commission.

IN THE COUNTY COURT OF GREENBRIER COUNTY, WEST VIRGINIA SPECIAL MARCH 17, 1967 TERM:

A public hearing on the proposed creation of a Public Service District for the purpose of construction, maintenance, and operation of properties to supply sewerage service therein, embracing the territory within the Magisterial District lines of Fort Spring and Lewisburg Magisterial District, having been held on the 2nd day of March, 1967, in the Circuit Courtroom in the Courthouse at Lewisburg, West Virginia, notice of such meeting having been published in The Greenbrier Independent and The West Virginia Daily News, newspapers of general circulation in Greenbrier County, West Virginia, as required by law and as evidenced by Certificate of Publication attached hereto and made a part hereof, all as provided by Order heretofore entered in the Regular February 7, 1967, Term of this Court; a resolution having been adopted by the governing body of the Incorporated town of Lewisburg in Lewisburg Magisterial District consenting to being included in such Public Service District, a copy of which was presented to the Court and is hereto attached; no such Resolution having been adopted by the governing body of Ronceverte Municipality; and no oral protest having filed as provided by law; it is determined after due consideration, that the proposed District will be conducive to the preservation of Public Health, comfort and convenience of such area and that the same is feasible; and therefore hereby ordered that, pursuant to Chapter 16, Article 13A, Section 2, of the Code of West Virginia, a Public Service District, hereby named "Greenbrier Public Service District No. 1", for the purpose of construction, maintenance and operation of properties to supply sewerage service therein be, and the same is hereby created to embrace all of Lewisburg Magisterial District and all of Fort Spring Magisterial District in said County with the exception of the Municipality

of Ronceverte in said Fort Spring Magisterial District, which is hereby expressly excluded from the boundry lines of said District, and the same is hereby, vested with all of the powers in connection with such Public Service District as set forth in the said Article 13A of Chapter 16, of the Code of the State of West Virginia.

IT IS FURTHER ORDERED that the governing body of said Public Service District shall be composed of three (3) members who will constitute the Public Service Board thereof and be vested with all the powers, duties and responsibilities of the same, and that said members and their respective terms of office to which they are hereby appointed shall be as follows:

1. Lowell E. Sebert, a resident of Fairlea, West Virginia, in said Fort Spring District, for a term of two (2) years.

2. Philip L. McLaughlin, a resident of Lewisburg, West Virginia, in said Lewisburg District, for a term of four (4) years.

3. Woodrow Taylor, a resident of Lewisburg, West Virginia, in said Lewisburg District, for a term of six (6) years.

Teste: Charles W. Lewis, President.

STATE OF WEST VIRGINIA,

COUNTY OF GREENBRIER, TO-WIT:

I, R. Sandra Morgan, Clerk of the County Commission in and for the County and State aforesaid, do hereby certify that the foregoing is a true and exact copy of the Order of the Greenbrier County Commission creating Greenbrier Public Service District #1, and the order establishing the three (3) member board who will constitute the Public Service Board, as is found of record in the General Order Book No. 19, at page 241.

Given under my hand and seal of said Commission at the Court House, thereof, on this 2nd day of July, 1996.

R. Sandra Morgan

R. Sandra Morgan, Clerk
Greenbrier County Commission.

IN THE COUNTY COURT OF GREENBRIER COUNTY, WEST VIRGINIA

SPECIAL MARCH 17, 1967 TERM:

A PUBLIC HEARING ON THE PROPOSED CREATION OF A PUBLIC SERVICE DISTRICT FOR THE PURPOSE OF CONSTRUCTION, MAINTENANCE, AND OPERATION OF PROPERTIES TO SUPPLY SEWERAGE SERVICE THEREIN, EMBRACING THE TERRITORY WITHIN THE MAGISTERIAL DISTRICT LINES OF FORT SPRING AND LEWISBURG MAGISTERIAL DISTRICT, HAVING BEEN HELD ON THE 2ND DAY OF MARCH, 1967, IN THE CIRCUIT COURTROOM IN THE COURTHOUSE AT LEWISBURG, WEST VIRGINIA, NOTICE OF SUCH MEETING HAVING BEEN PUBLISHED IN THE GREENBRIER INDEPENDENT AND THE WEST VIRGINIA DAILY NEWS, NEWSPAPERS OF GENERAL CIRCULATION IN GREENBRIER COUNTY, WEST VIRGINIA, AS REQUIRED BY LAW AND AS EVIDENCED BY CERTIFICATE OF PUBLICATION ATTACHED HERETO AND MADE A PART HEREOF, ALL AS PROVIDED BY ORDER HERETOFORE ENTERED IN THE REGULAR FEBRUARY 7, 1967 TERM OF THIS COURT; A RESOLUTION HAVING BEEN ADOPTED BY THE GOVERNING BODY OF THE INCORPORATED TOWN OF LEWISBURG IN LEWISBURG MAGISTERIAL DISTRICT CONSENTING TO BEING INCLUDED IN SUCH PUBLIC SERVICE DISTRICT, A COPY OF WHICH WAS PRESENTED TO THE COURT AND IS HERETO ATTACHED; NO SUCH RESOLUTION HAVING BEEN ADOPTED BY THE GOVERNING BODY OF RONCEVERTE MUNICIPALITY; AND NO ORAL PROTEST HAVING BEEN FILED AS PROVIDED BY LAW; IT IS DETERMINED AFTER DUE CONSIDERATION, THAT THE PROPOSED DISTRICT WILL BE CONDUCIVE TO THE PRESERVATION OF PUBLIC HEALTH, COMFORT AND CONVENIENCE OF SUCH AREA AND THAT THE SAME IS FEASIBLE; AND THEREFORE HEREBY ORDERED THAT, PURSUANT TO CHAPTER 16, ARTICLE 13A, SECTION 2, OF THE CODE OF WEST VIRGINIA, A PUBLIC SERVICE DISTRICT, HEREBY NAMED "GREENBRIER PUBLIC SERVICE DISTRICT NO. 1", FOR THE PURPOSE OF CONSTRUCTION, MAINTENANCE AND OPERATION OF PROPERTIES TO SUPPLY SEWERAGE SERVICE THEREIN BE, AND THE SAME IS HEREBY

CREATED TO EMBRACE ALL OF LEWISBURG MAGISTERIAL DISTRICT AND ALL OF FORT SPRING MAGISTERIAL DISTRICT IN SAID COUNTY WITH THE EXCEPTION OF THE MUNICIPALITY OF RONCEVERTE IN SAID FORT SPRING MAGISTERIAL DISTRICT, WHICH IS HEREBY EXPRESSLY EXCLUDED FROM THE BOUNDRY LINES OF SAID DISTRICT, ~~TO BE HEREAFTER CREATED, BE~~, AND THE SAME IS HEREBY, VESTED WITH ALL OF THE POWERS IN CONNECTION WITH SUCH PUBLIC SERVICE DISTRICT AS SET FORTH IN THE SAID ARTICLE 13A OF CHAPTER 16, OF THE CODE OF THE STATE OF WEST VIRGINIA.

IT IS FURTHER ORDERED THAT THE GOVERNING BODY OF SAID PUBLIC SERVICE DISTRICT SHALL BE COMPOSED OF THREE (3) MEMBERS WHO WILL CONSTITUTE THE PUBLIC SERVICE BOARD THEREOF AND BE VESTED WITH ALL THE POWERS, DUTIES AND RESPONSIBILITIES OF THE SAME, AND THAT SAID MEMBERS AND THEIR RESPECTIVE TERMS OF OFFICE TO WHICH THEY ARE HEREBY APPOINTED SHALL BE AS FOLLOWS:

1. LOWELL E. SEBERT, A RESIDENT OF FAIRLEA, WEST VIRGINIA, IN SAID FORT SPRING DISTRICT, FOR A TERM OF TWO (2) YEARS.

2. PHILIP L. MCLAUGHLIN, A RESIDENT OF LEWISBURG, WEST VIRGINIA, IN SAID LEWISBURG DISTRICT, FOR A TERM OF FOUR (4) YEARS.

3. WOODROW TAYLOR, A RESIDENT OF LEWISBURG, WEST VIRGINIA, IN SAID LEWISBURG DISTRICT, FOR A TERM OF SIX (6) YEARS.

[signature]

PRESIDENT

The Greenbrier Independent

"The Old Home Paper"

Lewisburg, West Virginia

NOTICE

Notice of hearing on the creation of a proposed Public Service District embracing the Territory within the Magisterial District Lines of Fort Spring and Lewisburg Districts, Greenbrier County, West Virginia, for the purpose of providing sewage services therein.

To: All persons residing in or owning or having any interest in property in the proposed Public Service District embracing the territory within the Magisterial District lines of Fort Spring and Lewisburg Districts, Greenbrier County, West Virginia.

You, and each of you, are hereby notified that, pursuant to an order of the County Court of Greenbrier County, West Virginia, entered on the 6th day of February, 1967, wherein the court on its own motion proposed the creation of a Public Service District under the authority of chapter 16, article 13a, section 2, of the West Virginia Code, embracing the territory within the magisterial district lines of Fort Spring and Lewisburg Districts, in said county, to be named Greenbrier Public Service District No. 1, for the purpose of the construction, maintenance and operation of properties to supply sewage services therein, there will be a public hearing on the creation of the proposed Public Service District in the Circuit Court Room of the Court House at Lewisburg, in said county, at one-thirty o'clock P.M. on the 2nd day of March, 1967, at which hearing all persons residing in or owning or having any interest in property in such proposed Public Service District shall have an opportunity to be heard for and against the creation of the same, and the Court shall consider and determine the feasibility of the creation of the proposed district. At such time and place you may appear and be heard if you so desire.

PAUL C. HOGSETT,
Clerk of the County Court
of Greenbrier County,
West Virginia.

16 1t

I, J. Bright Hern, Publisher of the GREENBRIER INDEPENDENT, a weekly newspaper of general circulation, published in Lewisburg, Greenbrier County, West Virginia, by the Greenbrier Publishing Co., Inc., do hereby Certify that the annexed notice was published— one — weeks consecutively in said newspaper, in its issues of the following date, viz:

February 16, 1967.

Given under my hand this— 2nd — day of — March — , 1967.

J. Bright Hern

Publisher

Publication Fee $10.23

BE IT RESOLVED: by the Council of the City of Lewisburg that it hereby consents for the area embraced by the corporate limits of Lewisburg to be included within the boundaries of the proposed Greenbrier Public District No. 1.

I, Wm. S. Coleman, Mayor of City of Lewisburg, West Virginia hereby certify that the foregoing is a true and correct copy of the resolution adopted at the regular meeting, February 7, of the City Council of Lewisburg.

CITY OF LEWISBURG INCORPORATED 1871 GREENBRIER CO.

Wm. S. Coleman

Wm. S. Coleman, Mayor, City of Lewisburg

Attest:

Recorder:

WEST VIRGINIA, Greenbrier County Court March (17th) Term, 1967

WHEREAS, at a regular and continued term of the County Court of Greenbrier County held on February 7, 1967, there was allocated in the budget for the Sheriff's Office for the fiscal year beginning July 1, 1967, and ending June 30, 1968, the sum of $59,300.00, and it is ORDERED that the same be increased by the sum of $800.00 which said sum is to be added to travel expense of $9,200.00, making this total $10,000.00 for this item in the Sheriff's Budget for said fiscal year; and

Further there was allocated by the Court for the said fiscal year for the Assessor's Office the sum of $31,000.00, and it is ORDERED that this be increased by the sum of $1,000.00, which said sum is to be added to extra help, making this total $3,520.00 for said fiscal year.

IN THE COUNTY COURT OF GREENBRIER COUNTY, WEST VIRGINIA SPECIAL MARCH 17, 1967 TERM:

A public hearing on the proposed creation of a Public Service District for the purpose of construction, maintenance, and operation of properties to supply sewerage service therein, embracing the territory within the Magisterial District lines of Fort Spring and Lewisburg Magisterial District, having been held on the 2nd day of March, 1967, in the Circuit Courtroom in the Courthouse at Lewisburg, West Virginia, notice of such meeting having been published in The Greenbrier Independent and The West Virginia Daily News, newspapers of general circulation in Greenbrier County, West Virginia, as required by law and as evidenced by Certificate of Publication attached hereto and made a part hereof, all as provided by Order heretofore entered in the Regular February 7, 1967, Term of this Court; a resolution having been adopted by the governing body of the Incorporated town of Lewisburg in Lewisburg Magisterial District consenting to being included in such Public Service District, a copy of which was presented to the Court and is hereto attached; no such Resolution having been adopted by the governing body of Ronceverte Municipality; and no oral protest having filed as provided by law; it is determined after due consideration, that the proposed District will be conducive to the preservation of Public Health, comfort and convenience of such area and that the same is feasible; and therefore hereby ordered that, pursuant to Chapter 16, Article 13A, Section 2, of the Code of West Virginia, a Public Service District, hereby named "Greenbrier Public Service District No. 1", for the purpose of construction, maintenance and operation of properties to supply sewerage service therein be, and the same is hereby created to embrace all of Lewisburg Magisterial District and all of Fort Spring Magisterial District in said County with the exception of the Municipality

of Ronceverte in said Fort Spring Magisterial District, which is hereby expressly excluded from the boundry lines of said District, and the same is hereby, vested with all of the powers in connection with such Public Service District as set forth in the said Article 13A of Chapter 16, of the Code of the State of West Virginia.

IT IS FURTHER ORDERED that the governing body of said Public Service District shall be composed of three (3) members who will constitute the Public Service Board thereof and be vested with all the powers, duties and responsibilities of the same, and that said members and their respective terms of office to which they are hereby appointed shall be as follows:

1. Lowell E. Sebert, a resident of Fairlea, West Virginia, in said Fort Spring District, for a term of two (2) years.

2. Philip L. McLaughlin, a resident of Lewisburg, West Virginia, in said Lewisburg District, for a term of four (4) years.

3. Woodrow Taylor, a resident of Lewisburg, West Virginia, in said Lewisburg District, for a term of six (6) years.

For all orders and papers pertaining to the estimates for the Fiscal year 1967-1968, see Supplemental Order book of Estimates and Levies No. 6.

It is ordered that the Court stand adjourned until the next term of this Court.

President

CC06022009

GREENBRIER COUNTY COMMISSION

REGULAR MEETING, TUESDAY, June 02, 2009

The regular term of the 1st June, 2009 meeting of The Greenbrier County Commission was called to order at approximately 7:00PM, Tuesday, June 02, 2009 by President Betty Crookshanks. Invocation by President Betty Crookshanks. Pledge of Allegiance recited by those in attendance.

Present: Betty D. Crookshanks, President; Karen Lobban and Brad Tuckwiller, Commissioners.

REGULAR BUSINESS:

Minutes: Commissioner Lobban moved to approve minutes of the May 12, 2009 meeting. Motion carried.

Minutes: Commissioner Lobban moved to approve minutes of the May 26, 2009 emergency meeting. Motion carried 2-0 with Commissioner Tuckwiller abstaining.

Estate Settlements: County Clerk B J Livesay presented the following estate settlements: Donald Winfred Childers; Gladys Susan Coulter; Juanita Estelle Reaser; Ann Evelyn Witt; Clarice M. Vest. Commissioner Tuckwiller moved to approve settlements as presented. Motion carried.

Exonerations, Impropers, Consolidations, etc.: President Crookshanks moved to approve the exonerations, etc. as presented by the County Assessor's Office and enter the names into the minutes as follows: John Cole, III or LeAnn; William F. Dahmer; Charles W. Fauber; Joseph/Elsie Fithian; Peggy M. Kirk; Daniel Lilly; Geraldine Paitsel; Charles David Adkinson; David Brunty, ET UX; Larry E. Graham; Shelby J Loudermilk, (Life Estate); Beth Ann Faulkner Carroll, ET AL; Sue C. Deville; Margaret Level Green; Timothy Wickline. Motion carried.

FINANCIALS:

Arts & Recreation Transfer: None

Budget Revisions: Commissioner Tuckwiller moved to approve Budget Revision #23 increasing Misc. Revenue (366) by $1,525.00; increasing Sheriff/Treasurer (404) by $30,000.00; decreasing Law Enforcement (700) by $24,475.00; decreasing Service of Process (701) by $3,000.00; decreasing Jail (703) by $1,000.00. Motion carried.

Line Item Transfers: Increase Tax Office Postage (404-18) by $3,500.00; decrease Tax Office Salaries (404-03) by $3,500.00; increase Law Enforcement Overtime (700-08) by $3,000.00; decrease Law Enforcement Salaries (404-03) by $3,000.00; increase Law Enforcement Auto Supplies (700-43) by $456.00; decrease Law Enforcement Contributions (700-67) by $456.00; increase Tax Office Supplies (404-41) by $1,000.00; decrease Tax Office Maintenance-Bldgs. (404-15) by $1,000.00. Commissioner Tuckwiller move to approve line item transfers. Motion carried.

Sheriff Childers requested that FY2008-2009 closing be extended past June 30, 2009 to allow all FY08-09 invoices be included. He stated that his office would be receiving Grant monies for overtime costs by his Law Enforcement Department and same may be received after June 30, 2009 and the overtime will be paid prior to June 30, 2009. Commissioner Tuckwiller moved to increase Grant Receivable (323) by $10,000.00 and increase Law Enforcement Overtime (700-08) by $10,000.00 to cover FY08-09 Grant monies that may be received after June 30, 2009. Motion carried.

President Crookshanks tabled Telephone System Service Agreement with Advanced Communications Company until June 23, 2009 meeting.

Magistrate Court stated that their security system is inoperative due to a failed motherboard. Cost to replace motherboard is $728.00 with thirty day warranty. Masterguard Security Systems gave quote of $1,710.00 to replace security system. Commissioner Tuckwiller moved to request quote from Mason Barry for repair or replacement. Motion carried.

Pay Bills: Commissioner Tuckwiller moved to approve payment of bills as presented. Motion carried.

Grant Applications:

Paul Ghosh updated Commissioners on bids for WSS Sewer System project. He stated that there was an August 15, 2009 deadline for awarding of construction bid. He further stated that the project estimate was $17,600,000.00; however, the lowest bid received was for $19,482,000.00 including legal fees, but does not include bonding fees. Mr. Ghosh proposed that an application be applied for to cover the additional $1,800,000.00; however, application date is June 20, 2009. Commissioner Tuckwiller moved to allow President Crookshanks to affix her signature to an application for $1,800,000.00 to help defray costs. Motion carried.

Doug Hylton informed Commissioners that the grant application for the Meadow River Trails project which he had given them earlier was a Division of Highways grant application from the Congressional District which will award $2,000,000.00 to area projects. Commissioner Lobban moved to approve submittal of grant application. Motion carried. Commissioner Tuckwiller moved to approve payment of invoices relative to grant application by increasing Grant (322) by $4,500.00 and Federal Government Grant (442) by $4,500.00. Motion carried.

Public Comment on Agenda Items:

Ann Bell addressed the campground proposed by Roy Dodd.

John Manchester addressed the BZA relative to the proposed campground.

Old Business:

1) Consider Telephone for Main Entrance: Commissioner Tuckwiller moved to decline purchase of phone. Motion carried.

2) Consider Appointment to PSD #1 Board: Mayor John Manchester addressed Commissioners concerning appointment. Commissioner Tuckwiller moved that the Commissioners take no action until ruling received from Public Service District. Vote was 1-2 with President Crookshanks and Commissioner Lobban dissenting. President Crookshanks moved to appoint Mark Carber, Harry Perkins and Dan Withrow . Vote was 2-1 with Commissioner Tuckwiller dissenting.

3) Consider Change of Scope for Youth Advocacy Center: Commissioner Tuckwiller moved to allow scope change to allow for improvements to their building. Motion carried.

4) Consider Telephone Audit-RAJ Company-Gene Watkins: Commissioner Tuckwiller moved to table indefinitely. Motion carried.

5) Opinion from Prosecuting Attorney (County) on allocation of Hotel/Motel Tax for Libraries: President Crookshanks read County Prosecutor's opinion which was in favor of allocation of Hotel/Motel Tax for County libraries.

New Business:

1) Consider hiring Animal Control Officer: Commissioner Tuckwiller moved to advertise for the hiring of a part-time (30 hours per week) animal control officer.

2) Consider approval of Real Property Delinquent Tax Lists as of May 01, 2009. Commissioner Tuckwiller moved to approve. Motion carried.

3) Greenbrier County Historic Landmark Commission certified Local Government designation- Doug Hylton presented the Commissioners with Certification.

4) Wrecker Service – Ms. Willey and Mr. Adwell: Ms. Willey complained that there was one wrecker service within Greenbrier County that was "scanner jumping" and appearing at

accident scenes even when they had not been called to assist. Commissioner Tuckwiller stated that he would speak with the 911 Advisory Board concerning same.

5) Windjammer TV Cable sale to Vital Communications Group: Vital Communications President Jerry Stender presented to the Commissioners and county residents Vital Communications' plans for TV Cable service to current Windjammer customers. Commissioner Tuckwiller moved to approve signing of resolution approving the transfer of cable franchise from Windjammer to Vital Communications Group. Motion carried.

6) Renewal of Franchise Leases – Suddenlink: Commissioner Tuckwiller moved to approve renewal of franchise leases with Suddenlink. Motion carried.

7) Consider request of Citizens to rescind Stoney Glen Subdivision approval: Commissioner Tuckwiller moved that application be sent back to Planning Commission. Motion carried.

8) City of Ronceverte annexation of Organ Cave area: Commissioners discussed efforts to have state law changed governing annexations by cities; however, law was not changed by Legislature. President Crookshanks asked for motion to approve signing of annexation by Commissioners, and no one made motion.

9) Consider appeal by Jeffrey Graham of BZA administrative decision on Campground owned by Roy Dodd: Jeffrey Graham's attorney, Rich Ford, requested application be returned to BZA for additional review due to improper notification of adjacent property owners and increase in number of camping units from original application as well as other potential errors in application. Commissioner Tuckwiller moved to have BZA revisit application. Motion carried.

Public Comment: None.

Commissioner Lobban moved to adjourn at 8:57PM. Motion carried.

Next regular meeting of County Commission will be held 10:00AM, Tuesday, June23, 2009.

GREENBRIER COUNTY COMMISSION

GCC04262011
GREENBRIER COUNTY COMMISSION
REGULAR MEETING, APRIL 26, 2011

The regular term of the 2nd April, 2011 meeting of the Greenbrier County Commission was called to order at 7:00PM Tuesday, April 26, 2011 by President Betty Crookshanks. Present were Betty Crookshanks, President; Karen Lobban and Mike McClung, Commissioners.

Invocation by Senator Ron Miller.
Pledge of Allegiance recited by those in attendance.
Call to Order by Commission President Betty Crookshanks.

REGULAR BUSINESS:

Minutes: Decision was made to approve minutes from Special meeting April 19, 2011 along with the minutes from Regular meeting April 26, 2011 in the first regular May meeting.

Estate Settlements: County Clerk B J Livesay presented the following estate settlements: Stella R. Hunter, Knud Knudson, Mary Alice Long, Norman K. Morgan, Britt Edward Sanford, Crystal Vivian Smith. Commissioner Lobban moved to approve settlements as presented. Motion carried unanimous.

Exonerations, Impropers, Consolidations, etc.: Commissioner President Crookshanks moved to approve the exonerations, etc. as presented by the County Assessor's Office and enter the names into the minutes as follows: Audrey S Asbury, Javis Brewster, George D Ramsey, Jeffery Carter, Pamela Fitzwater, Robert K Shuff, Edward & Darlene Smith, The Greenbrier County Committee on Ageing. Motion carried unanimously.

FINANCIALS:

Arts & Recreation Transfer: Request to transfer $20,000 from county savings to the Arts and Rec checking fund. Commissioner Lobban moved to approve the transfer. Motion carried unanimous.

Budget Revisions: Request to approve budget revision #13, increase of expenditure line 701 by $25,028.50 by increasing revenue lines 329, 334, and 335 by $21,011, $950, and $3,068 respectively. Commissioner McClung moved to approve the revision. Motion carried unanimous.

Line Item Transfers: None.

Pay Bills: Commissioner Lobban moved to pay bills as presented. Motion carried unanimously.

Rupert Public Library presented their portion of a matching challenge presented before them in the past. Commissioner Lobban moved to approve the County release $50,000 granted to the Rupert Library if they raised their portion of the funds needed. Motion carried unanimous

Presentations: None.

Public Comment on Agenda Items: None.

OLD BUSINESS: None.

New Business:

1) Consider filling vacancy on PSD #1 Board. Commissioner McClung moved to approved filling of the vacancy. Motion carried unanimous.

2) Consider approval and resolution for 4-H Leaders Community Participation Grant. Commissioner Lobban moved to approve the grant. Motion carried unanimously.

3) Consider approval and resolution for FRC Emergency Shelter Grant: Commissioner McClung moved to approve the grant. Motion carried unanimously.

4) Consider approval and resolution for Clintonville Community Centers Communication Participation Grant. Commissioner Lobban moved to approve the grant. Motion carried unanimously.

5) Consider approval and resolution for Organ Cave Community Centers Community Participation Grant: Commissioner McClung moved to approve the grant. Motion carried unanimously.

6) Consider approval and resolution for Energy Express Community Participation Grant. Commissioner McClung moved to approve the grant. Motion carried unanimously.

Public Comment:

Mary Jo Sharp spoke on behalf of the elder abuse committee on the issue of fear and anxiety abuse that they are beginning to feel due to the possible lack in security cause by lack of Deputies. Commission President Crookshanks assured the attendance that there was money placed in Sheriff's budget to cover all employees he currently has.

Bill Biggerstaff questioned where the funding for the lawyers to be used in the suit between Sheriff and Commission would be taken from. Commission President Crookshanks stated that it would be coming from tax dollars.

Commissioner Lobban moved to adjourn at approximately 7:35 PM. Motion carried unanimously.

Next regular meeting of Greenbrier County Commission is 7:00PM, May 10, 2011.

Betty D Crookshank

GREENBRIER COUNTY COMMISSION

No Fee

Return to PSD #1

M J LIVESAY
GREENBRIER County 10:26:52 AM
Instrument No 68243
Date Recorded 07/15/2009
Document Type OATH
Book-Page 2-585

BOOK 02 PAGE 585

OFFICIAL'S OATH

STATE OF WEST VIRGINIA,

COUNTY OF GREENBRIER,

TO WIT:

I, Dan Withrow, who has been duly appointed as a Member of the Greenbrier County PSD No. 1 of the county and state aforesaid do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and I will truly and faithfully perform all the duties as such Member to the best of my skill and judgment, So Help Me God.

Dan Withrow

Subscribed and sworn to before me, in said county and state, this 15th day of July, 2009.

Betty D. Workman

President of the Greenbrier County Commission

No Fee File in Oath File

OATH OF OFFICE

STATE OF WEST VIRGINIA
GREENBRIER COUNTY, TO-WIT:

I, Michael L. McClung, who has been duly appointed to the Board of Directors for Public Service District Number 1 of the County and State aforesaid, 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 truly and faithfully perform all the duties as a member, during my continuance therein, to the best of my skill and judgment. So help me God.

Subscribed and sworn to before me, in said County And State, this 7th day of Sept, 2011.

Clerk of the Greenbrier
County Commission

No Fee

Return to PSD #1

W J LIVESAY
GREENBRIER County 10:26:08 AM
Instrument No 68242
Date Recorded 07/15/2009
Document Type OATH
Book-Page 2-584

BOOK 02 PAGE 584

OFFICIAL'S OATH

STATE OF WEST VIRGINIA,

COUNTY OF GREENBRIER,

TO WIT:

I, Mark Carver, who has been duly appointed as a Member of the Greenbrier County PSD No. 1 of the county and state aforesaid do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and I will truly and faithfully perform all the duties as such Member to the best of my skill and judgment, So Help Me God.

Subscribed and sworn to before me, in said county and state, this 15th day of July, 2009.

President of the Greenbrier County Commission

PROCEDURAL RULE
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
OPEN GOVERNMENTAL PROCEEDINGS

1. General.

1.1. Scope. – This rule establishes procedures for providing notice to the public and the news media of all regularly-scheduled, special and emergency meetings of the Greenbrier Public Service District No. 1.

1.2. Authority. – W. Va. Code § 6-9A-3.

1.3. Adoption Date. – July 19, 2005.

1.4. Effective Date. – August 1, 2005.

2. Definitions.

2.2. "District" means the Greenbrier Public Service District No. 1.

3. Notice.

3.1. Regularly Scheduled Meetings – The District shall cause notice of its regularly scheduled meetings to be posted at the front door of its office and at the front door of the Greenbrier County Courthouse at least five days prior to the date of the meeting. Notice provided under this section shall include the date, time, place and agenda of the meeting.

3.2. Special Meetings – The District shall cause notice of its special meetings to be posted as set out in 3.1 at least three days prior to the date of the meeting. Notice provided under this section shall include the date, time, place and purpose of the meeting.

3.3. Emergency Meetings – The District, may post notice of its emergency meetings requiring immediate official action as set out in 3.1 at any time prior to such meeting. Notice provided under this section shall include the date, time, place and purpose of the meeting and the facts and circumstances of the emergency.

4. Continued Meetings.

4.1. For purposes of this rule, the announcement of continuation at a meeting otherwise noticed hereunder shall be deemed reasonable notice of the reconvening of the continued meeting.

5. Additional Notice.

5.1. Nothing in this rule shall prohibit the District from providing additional notice for any particular meeting which it deems desirable or necessary, including the practice of causing the notice to

be provided to local newspapers, television stations, radio stations and other news media.

6. Amendments to Agenda.

6.1. If amendments to the agendas published in accordance with these rules should occur prior to the date of any regularly-scheduled meeting, the District shall provide immediate notice of such amendment by posting a copy of the amended agenda at a prominent place at the location where the meeting is to be held.

7. Telephone and Electronic Conferences.

7.1. Attendance – Members of the District may participate in any regularly-scheduled, special or emergency meeting by telephone conference or other similar electronic means.

7.2. Participation – At each meeting where a member participates by telephone or electronic means, the presiding officer of the District shall convene the meeting and advise the public of the identity of the member participating in said manner. The voice, comments and votes of said member shall be audible to all those personally present at the meeting.

7.3. Voting – Members participating in a meeting of the District by telephone or electronic means may cast votes on any matter to be voted upon at the meeting; *provided*, that no member may cast his or her vote by facsimile transmission. Where a majority of the members of the District have participated in a meeting by telephone or electronic means, the actions taken at that meeting shall be ratified at the next succeeding regularly scheduled meeting of the District, and said ratification shall be placed in the minutes of the meeting. Where less than a majority of the members of the District have participated in a meeting by telephone or electronic means, the votes of those members so participating shall be confirmed at the next succeeding regularly schedule meeting of the body, and said confirmation shall be placed in the minutes of the meeting.

8. Severability.

8.1. If any word, phrase or provision of this rule is held to be invalid, the remainder of the rule shall, to the fullest extent possible, not be affected by that holding.

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

RESOLUTION APPROVING, CONFIRMING AND RATIFYING ORGANIZATION OF PUBLIC SERVICE BOARD FOR CALENDAR YEAR 2013.

WHEREAS, pursuant to Section 3 of Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), public service boards of public service districts are required to organize annually through selection of officers for the public service board;

WHEREAS, pursuant to the Act, the officers to be selected for public service boards are a chairman, a secretary and a treasurer;

WHEREAS, the Public Service Board of Greenbrier Public Service District No. 1 (the "Board") has selected its officers for calendar year 2013; and

WHEREAS, the Board seeks to approve, confirm and ratify the selection of its officers for calendar year 2013 through the adoption of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1:

Section 1. The organization of the Board for calendar year 2013 is as follows:

Name	Title
Dan Withrow	Chairman
Mike McClung	Secretary
Mark Carver	Treasurer

Section 2. The organization of the Board for calendar year 2013 as set forth immediately above is hereby approved, confirmed and ratified.

Section 3. This Resolution shall be effective immediately following adoption hereof.

Adopted this 10th day of October, 2013.

Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of GREENBRIER PUBLIC SERVICE DISTRICT on the 10th day of October, 2013.

Dated: October 10, 2013.

[SEAL]

Secretary

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 21st day of August 2013.

CASE NO. 13-0754-PSD-PC

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
a public utility, Ronceverte, Greenbrier County.
Petition for Commission consent and approval to enter into a design loan from the West Virginia Water Development Authority.

COMMISSION ORDER

The Commission approves a design loan.

BACKGROUND

On May 29, 2013, Greenbrier Public Service District No. 1 (District), a public water and sewer utility, filed a petition with the Commission for consent and approval of a design loan from the West Virginia Water Development Authority (WDA). The purpose of the loan is for the design of extensions to the District wastewater collection system in Lewisburg and adjacent areas and for installation of a new collection system for the Meadowbrook Subdivision. The Meadowbrook system will replace an existing package plant and lines that the District acquired with Commission authorization in Case No. 11-1713-PSD-PC. The current petition originally requested approval of favorable financing from the WDA in the amount of $275,000 with interest only for the first twenty-four months at three percent. If the loan is not paid off by permanent financing within the two years, the loan would be paid off over eighteen years at five percent interest. The District stated that its current rates are sufficient to meet the debt service requirements and the District does not require a rate increase.

The Petition also stated that the total project cost for engineering, legal and accounting were expected to be $423,152. Each of the District's engineering, legal and accounting firms, however, agreed to reduce their fees by thirty percent resulting in design costs of only $270,156. The reduction is to satisfy the Commission requirement that ratepayers not bear all of the financial burden of design costs in the event the project is not certificated or constructed.

On June 27, 2013, Commission Staff filed a memorandum recommending that the Commission grant approval of the design loan. Staff stated that the repayment terms will represent 1.3 percent of District revenue and will not require an immediate rate increase. Utilities Division Staff stated both that the loan amount represents a reduction of professional fees and a deferral of professional fees. Utilities Division memorandum at p. 2. Legal Division Staff stated that the loan amount represents a thirty percent reduction of professional fees. Initial and Final Joint Staff Memorandum at 1. Staff also observed that the funding letters filed with the petition were dated in 2011, and therefore Staff requested that the District provide documentation that the WDA is still committed to funding the design loan.

On July 15, 2013, the District filed a letter from the WDA to the District dated July 2, 2013, stating that the WDA is willing to provide loan assistance in an amount not to exceed $423,152 at an interest rate of three percent over twenty years and that may be prepaid without penalty with thirty-days written notice. During the first two years, payments would be interest-only.

On July 17, 2013, Staff filed a memorandum recommending Commission approval of a design loan from the WDA not to exceed $270,156. Utilities Division Staff again mentioned both reduction and deferral of professional fees and Legal Staff mentioned reduction of professional fees.

On August 12, 2013, Staff filed a further memorandum to address confusion in the filings as to whether the professional fees to be financed by the design loan would be reduced or deferred. The District filing stated that professional fees will be reduced but the Staff memoranda contained statements both that the fees would be reduced and that the fees would be deferred. Staff informed the Commission that the Staff attorney spoke with counsel for the District and confirmed that the District's intent is to defer thirty percent of professional fees until project funding is received. The District did not dispute the August 12, 2013 Staff memorandum or indicate that there was a misunderstanding regarding the deferral.

DISCUSSION

The total design costs for engineering, legal and accounting are estimated to be $423,152, however, each of the firms has agreed to a thirty percent deferral of fees until project funding is received. Petition Exhibit B (Loan Application) at Schedule A. As proposed by the District, if the project is not certificated and funded, the financial risk associated with the total estimated design costs is shared by the various stakeholders. Sharing will occur because in the event the project is not certificated, the thirty percent deferred portion of professional fees, or fees incurred beyond $270,156, will not be paid. If the project is certificated and project funding received, then the thirty percent deferred

portion of professional fees will not be paid. The loan will not necessitate an immediate rate increase.

The Commission concludes that the sharing of the design phase costs in this petition satisfies the policy expressed in Adrian Public Service District, Case No. 10-1046-PWD-PC, Commission Order September 10, 2010. Namely, that "a public service district, and its customers, should not absorb all of the financial risk arising from a failed design project that is not subsequently constructed because the utility could not obtain funding, project approval or because the project is not otherwise 'convenient and necessary.'" Adrian at 3. The Commission stated in Adrian that it might, on a case by case basis, approve an engineering agreement and the associated design loan that includes a sharing of the risk, does not represent a significant risk of financial burden to ratepayers and does not require an immediate rate increase. Id. at 3-4. Those elements are satisfied in this filing and therefore this case is distinguishable from the proposal in Mineral Wells Pub. Serv. Dist., Case No. 09-1247-PSD-PC, Commission Order May 12, 2010, which did not present any sharing of the financial burden of design costs among stakeholders.

The WDA letter dated July 2, 2013, states that WDA is willing to provide loan assistance in an amount not to exceed $423,152. The petition filed by the District requests authority to accept a loan in a lower amount of $275,000. The cost schedule attached to the Petition and loan application, however, lists design costs of only $270,156. The Staff recommendation is to approve a design loan in an amount not to exceed the listed costs of $270,156, and the Commission concludes that is the appropriate amount. The terms and conditions of the WDA loan are reasonable, do not give one party an undue advantage over the other and will not adversely affect the public in this State.

Commission approval of the loan does not affect the statutory requirement that the District file an application for a certificate of convenience and necessity for the project that is the subject of the design work. W. Va. Code §24-2-11.

FINDINGS OF FACT

1. The design fees to be financed by the design loan have been deferred by thirty percent and will total $270,156. May 29, 2013 District Petition at paragraph 6; Exhibit B (Loan Application) at Schedule A.

2. The deferred portion of the design fees will not be due or payable by the District unless the related project is certificated and project financing is received.

3. No immediate rate increase is necessary to cover the cost of the design loan. Petition at paragraph 5.

CONCLUSION OF LAW

1. It is reasonable for the Commission to grant its consent for the design loan because the burden of design costs is shared between the engineering firm, law firm, accounting firm and the ratepayers, and therefore the loan does not represent a substantial burden on ratepayers, and because the loan will have no immediate rate impact.

2. Commission approval of the loan does not affect the statutory requirement that the District file an application for a certificate of convenience and necessity for the project that is the subject of the design work. W. Va. Code §24-2-11.

ORDER

IT IS THEREFORE ORDERED that the Commission consents to the Greenbrier County Public Service District No. 1 entering into a design loan from the WDA not to exceed $270,156 with an annual interest rate of three percent for a twenty-year term, with payments of interest only required for the first two years.

IT IS FURTHER ORDERED that the thirty percent portion of professional fees that is deferred will not be payable by the District unless final project certification and financing is received.

IT IS FURTHER ORDERED that on entry of this order this case shall be removed from the Commission docket of open cases.

IT IS FURTHER ORDERED that the Commission Executive Secretary serve a copy of this Order on all parties of record that have filed an e-service agreement, or by United States First Class Mail on parties that have not provided the Commission with an e-mail address, and on Staff by hand delivery.

A True Copy, Teste:

Sandra Squire
Executive Secretary

130754c
JML/slc

WEST VIRGINIA
Infrastructure & Jobs Development Council

Gov. Earl Ray Tomblin
Chairman

Kenneth Lowe, Jr.
Public Member

Tom Plymale
Public Member

Ron Justice
Public Member

Louis R. Spatafore
Public Member

Joseph Freeland
Public Member

D. K. "Bud" Carr
Public Member

James W. Ellars, P.E.
Executive Director

Barbara J. Pauley
Executive Assistant

Friday, April 12, 2013

David Gray, General Manager
Greenbrier Public Service District No. 1
9035 Seneca Trail South
Ronceverte, WV 24970

Re: Greenbrier Public Service District No. 1
Sewer Project 2012S-1391
Preliminary Application Approved

Dear Mr. Gray:

The West Virginia Infrastructure and Jobs Development Council (Council) has reviewed the preliminary application for the above-referenced project (Project).

Based on the findings of the Sewer Technical Review Committee, the Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The Sponsor should carefully review the comments of the Sewer Technical Review Committee, as found on the Project Team Members' Dashboards at www.wvinfrastructure.com, as the Sponsor may need to address certain issues raised in said comments as it proceeds with the Project.

Below is grant information for this Project:
CWSRF "Green" Debt Forgiveness - $702,228.00 - Recommended
Greenbrier County Commission Grant - $20,000.00 - Recommended
WV Legislative Grant - $25,000.00 - Recommended
IJDC District 3 Grant - $500,000.00 - Recommended

Below is loan information for this Project:
CWSRF Loan - $4,048,917.00 (.5%, .5% Admin Fee, 30 yrs) - Recommended

Total project cost is $5,296,145.00. **This letter is not a commitment of Infrastructure Funds.** If you have any questions regarding this matter, please contact James W. Ellars, P.E. at (304) 414-6501.

Sincerely,

Kenneth Lowe, Jr.

cc: DEP Rep Name, DEP
Lesley Taylor, Region 4 - Planning & Development Council
Chriss Haynes, Civil Engineering
Freddie M Boone Jr, Blake & Boone Accounting

5-23-11

WEST VIRGINIA
Water Development Authority
Celebrating 38 Years of Service 1974 - 2013

July 2, 2013

Lisa Bennett, General Manager
Greenbrier Public Service District No. 1
9035 Seneca Trail South
Ronceverte, WV 24970

SEWER PROJECT 2008D-1055 (SEWER DESIGN – OLD NUMBER)
SEWER PROJECT 2012S-1391 (SEWER DESIGN – NEW NUMBER)

An April 10, 2013, letter from the West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") recommended the WDA as the design loan funding source. Please be advised that the West Virginia Development Authority (the "WDA") is willing to provide design loan assistance in an amount not to exceed $423,152 at an interest rate of 3% for funds advanced for the first 24 months, and 3% for the remaining term of 18 years. The loan may be amortized over 20 years and be prepaid without penalty with 30-days written notice.

The WDA agrees to lend the amount requested, subject to the PSD's satisfaction of all conditions Precedent set forth in the Loan Agreement between the WDA and the PSD. Conditions which must be precedent to closing include a non-appealable Final Order from the Public Service Commission of West Virginia approving the borrowing.

CHRIS E. JARRETT – EXECUTIVE DIRECTOR

Email: Jim Ellars, WV Infrastructure & Job Development Council
Samme Gee, Esq., Jackson Kelly PLLC
Greenbrier Public Service District

1009 Bullitt Street, Charleston, WV 25301
Phone (304) 414-6500 / fax (304)414-0865
www.wvwda.org

WDA-SF (Design)
(07/13)

LOAN AGREEMENT

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

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 (2012S-1391)
(Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 22C, Article 1 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, subject to such provisions and limitations as are contained in the Act;

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

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

WHEREAS, the Governmental Agency intends to design and subsequently construct such a water development project at the location and as more particularly described and set forth in the Application, as hereinafter defined (the "Project");

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

WHEREAS, having reviewed the Application and made all findings required by Section 5 of the Act and having available sufficient funds therefor, the Authority is willing to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Governmental Agency with money in the Supplemental Fund of 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") as hereinafter set forth.

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

ARTICLE I

Definitions

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

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

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

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

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

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

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

1.8 "Project" means the water development project hereinabove referred to, to be designed, constructed or being constructed by the Governmental Agency in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Governmental Agency in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

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

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

ARTICLE II

The Project and the System

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

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

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

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

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

2.5 The Governmental Agency agrees that it will permit the Authority and its agents and representatives to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of the Project.

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

2.7 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 operation, maintenance and use of the System.

2.8 The Governmental Agency shall perform an annual maintenance audit which maintenance audit shall be submitted to the WDA and the Public Service Commission of West Virginia.

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

3.1 The agreement of the Authority to make the Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority, of each and all of those certain conditions precedent on or before the delivery date for the Local Bonds, which

shall be the date established pursuant to Section 3.4 hereof. Said conditions precedent are as follows:

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

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

(c) The Authority shall have received a certificate of the Consulting Engineers, the form of which certificate is attached hereto as Exhibit A;

(d) No Loan shall be made for the purpose of refinancing any outstanding long-term indebtedness of a Governmental Agency unless an opinion of counsel is received by the Authority to the effect that such refinancing is permitted by the Act;

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

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

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

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

(i) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited shall be sufficient to pay the costs of the Project.

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

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

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

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

the revenue bonds of other governmental agencies for which it has sufficient funds available. Additionally, the Governmental Agency recognizes that the Authority will purchase the Local Bonds only with funds from the Program and not with funds from any other loan programs of the Authority.

ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document, as reflected on the Schedule X attached hereto, and beginning four (4) months prior to the first date of payment of interest on the Local Bonds and four (4) months prior to the first date of payment of principal of the Local Bonds, respectively, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit or surety or other security instrument) in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) (or such other amount as shall be acceptable to the Authority and as shall fund the Reserve Account over not more than ten (10) years) of the

Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

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

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

(b) Covenants substantially as follows:

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

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

(iii) That the Governmental Agency shall complete the Project, shall operate and maintain the System in good condition and, to the extent applicable, in compliance with, among other state and federal standards, the water quality standards established by the West Virginia Bureau for Public Health (the "BPH"), the West Virginia Department of Environmental Protection (the "DEP") and the United States Environmental Protection Agency (the "EPA"), shall permit the BPH, the DEP and EPA to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the

System at any reasonable time following completion of construction of the Project and commencement of operation thereof, and shall, as a condition precedent to the Authority's making the Loan, have obtained, among other permits required, permits from the BPH, the DEP and the EPA, if required;

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

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

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

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

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

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

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Governmental Agency's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

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

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

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

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Governmental Agency shall not authorize redemption of any Local Bonds by it without the written consent of the Authority and except in compliance with the restrictions contained in this Loan Agreement;

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

(xvii) That, if required by the Authority, the Governmental Agency shall take any and all action, or shall refrain from taking any action regarding the use of the proceeds of the Local Bonds, as shall be deemed necessary by the Authority to maintain the exclusion from gross income for federal income tax purposes of interest on the Authority's bonds;

(xviii) That the Governmental Agency shall provide the Authority with annual financial information and such other information as is necessary for the Authority to meet its ongoing disclosure requirements;

(xix) That the Governmental Agency shall have obtained the certificate of the Consulting Engineers in the form attached hereto as Exhibit A, to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority is sufficient to pay the costs of the Project;

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

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

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

to the Governmental Agency's use of the proceeds of the Local Bonds and any additional information requested by the Authority;

(xxiii) That the Governmental Agency shall obtain the written approval of the Authority before expending any proceeds of the Local Bonds available due to bid/construction/project underruns, including the "contingency" as set forth in the final Schedule A attached to the certificate of the Consulting Engineers;

(xxiv) That the Governmental Agency shall list the funding provided by the Authority in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project; and

(xxv) That, to the extent required by law, the Governmental Agency shall secure the approval of the Authority and all other state agencies having jurisdiction before applying for federal 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 of West Virginia.

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

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

4.3 The principal payments of the Loan shall be made by the Commission annually on the days and in the years provided in Schedule X hereto. The interest payments on the Loan shall be made by the Commission semiannually as provided in said Schedule X.

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

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

4.6 As long as the Authority is the owner of any of the Local Bonds outstanding, the Governmental Agency shall not redeem any of such Local Bonds outstanding without the written consent of the Authority.

ARTICLE V

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

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

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

5.3 In the event the Governmental Agency defaults in any payment to the Authority pursuant to this Loan Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, plus 2%, from the date of the default until the date of the payment thereof. The defaulted interest shall be paid from the first deposits made by the Governmental Agency to the Commission.

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 7 of the Act, including, without limitation, the right to impose, enforce and collect charges of the System.

ARTICLE VI

Other Agreements of the Governmental Agency

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

6.3 The Governmental Agency hereby agrees to repay on or prior to the Date of Loan Closing any moneys due and owing by it to the Authority for the planning or design of the Project, and such repayment shall be a condition precedent to the Authority's making the Loan.

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

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

ARTICLE VII

Miscellaneous

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

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

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

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

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

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

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

7.8 This Loan Agreement shall terminate upon the earlier of:

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

(ii) termination by the Authority pursuant to Section 6.3 hereof; or

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

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

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

(SEAL)

By: _____
Its: Chairman
Date: October 18, 2013

Attest:

_____
Its: Secretary

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Executive Director
Date: October 18, 2013

Attest:

_____
Its: Authorized Officer

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____

(Issuer)

_____

(Name of Bonds)

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

1. My firm is engineer for the design of certain additions, betterments, improvements and extensions (the "Project") to the existing wastewater treatment system (the "System") of _____ (the "Issuer"), to be constructed primarily in _____ County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meanings set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), dated _____.

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

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and any change orders approved by the Issuer, the DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least _____ years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of

the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule attached hereto as Exhibit A, and my firm[1] has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof[2], the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Funding Assistance Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; (xi) the Project was designed and will be constructed in compliance with the provisions of West Virginia Code Chapter 22, Article 29; and (xii) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

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

[SEAL]

_____

By: _____
West Virginia License No. _____

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

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

EXHIBIT B

OPINION OF BOND COUNSEL FOR GOVERNMENTAL AGENCY

[To Be Dated as of Date of Loan Closing]

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

Ladies and Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated _____, _____, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority"), and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated _____, (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal and interest to the Authority, with interest and principal payable quarterly on January 1, April 1, July 1 and October 1 of each year, beginning _____, 1, _____, and ending _____, 1, _____, as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

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

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

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

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

2. The Loan Agreement inures to the benefit of the Authority and 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 validly existing _____, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

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

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

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

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

Very truly yours,

EXHIBIT C

MONTHLY FINANCIAL REPORT

Name of Governmental Agency _____
Name of Bond Issue(s) _____
Type of Project _____ **Water** _____ **Wastewater**
Fiscal Year _____ **Report Month** _____

Item	Current Month	Total Year To Date	Budget Year To Date	Budget Year To Date Minus Total Year To Date
1. Gross Revenues				
2. Operating Expenses				
3. Bond Payments:				
Type of Issue				
Clean Water SRF				
Drinking Water TRF				
Infrastructure Fund				
Water Development Authority				
Rural Utilities Service				
Economic Development Administration				
Other (Identify)				
_____				
_____				
4. Renewal and Replacement Fund Deposits				

_____
Name of Person Completing Form

_____
Address

_____
Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

Item 1 You will need a copy of the current fiscal year budget adopted by the Governmental Agency to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 ($1,200/12). This is the incremental amount for the Budget Year-to-Date column.

Item 2 Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of $900 are anticipated to be incurred for the year, each month the base would be increased by $75 ($900/12). This is the incremental amount for the Budget Year-to-Date column.

Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Governmental Agency according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.

Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are $1,200, then $30 (2.5% of $1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Governmental Agency.

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

EXHIBIT D

MONTHLY PAYMENT FORM

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

Interest	$____
Principal	$____
Total:	$____
Reserve Account:	$____

Witness my signature this ___ day of_____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds	$270,156
Purchase Price of Local Bonds	$270,156

The Local Bonds bear interest at a rate of 3.0% per annum on the amounts advanced thereunder for the first 24 months. Interest on the Local Bonds is payable quarterly (in arrears) commencing January 1, 2014. Commencing January 1, 2016, the Local Bonds shall bear interest at the rate of 3.0% per annum and principal and interest payments on the Local Bonds are payable quarterly commencing January 1, 2016. Quarterly payments will be made on January 1, April 1, July 1 and October 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Governmental Agency shall authorize the Commission to electronically debit its monthly payments. The Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority.

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

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

As of the date of the Loan Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Governmental Agency:

(1) SEWER REVENUE BONDS, SERIES 1983 B, DATED JUNE 23, 1983, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $910,000; AND

(2) SEWER REFUNDING REVENUE BONDS, SERIES 2006, DATED NOVEMBER 15, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,185,000.

NOTE: Design loan, no new customers being added with bond proceeds.

SCHEDULE Y
DEBT SERVICE SCHEDULE

	Bond Debt Service				
	Greenbrier PSD				
	Design Loan				
	$270,156				
	20 Years				
	3.0% Interest Rate				
		Dated Date	10/18/2013		
		Delivery Date	10/18/2013		
	Period Ending	Principal	Coupon	Interest	Debt Service
	1/1/2016	2,843	3.000%	2,026.17	4,869.17
	4/1/2016	2,865	3.000%	2,004.85	4,869.85
	7/1/2016	2,886	3.000%	1,983.36	4,869.36
	10/1/2016	2,908	3.000%	1,961.72	4,869.72
	1/1/2017	2,930	3.000%	1,939.91	4,869.91
	4/1/2017	2,952	3.000%	1,917.93	4,869.93
	7/1/2017	2,974	3.000%	1,895.79	4,869.79
	10/1/2017	2,996	3.000%	1,873.49	4,869.49
	1/1/2018	3,019	3.000%	1,851.02	4,870.02
	4/1/2018	3,041	3.000%	1,828.37	4,869.37
	7/1/2018	3,064	3.000%	1,805.57	4,869.57
	10/1/2018	3,087	3.000%	1,782.59	4,869.59
	1/1/2019	3,110	3.000%	1,759.43	4,869.43
	4/1/2019	3,134	3.000%	1,736.11	4,870.11
	7/1/2019	3,157	3.000%	1,712.60	4,869.60
	10/1/2019	3,181	3.000%	1,688.93	4,869.93
	1/1/2020	3,205	3.000%	1,665.07	4,870.07
	4/1/2020	3,229	3.000%	1,641.03	4,870.03
	7/1/2020	3,253	3.000%	1,616.81	4,869.81
	10/1/2020	3,277	3.000%	1,592.42	4,869.42
	1/1/2021	3,302	3.000%	1,567.84	4,869.84
	4/1/2021	3,327	3.000%	1,543.07	4,870.07
	7/1/2021	3,352	3.000%	1,518.12	4,870.12
	10/1/2021	3,377	3.000%	1,492.98	4,869.98
	1/1/2022	3,402	3.000%	1,467.65	4,869.65
	4/1/2022	3,428	3.000%	1,442.14	4,870.14
	7/1/2022	3,453	3.000%	1,416.43	4,869.43
	10/1/2022	3,479	3.000%	1,390.53	4,869.53
	1/1/2023	3,505	3.000%	1,364.44	4,869.44
	4/1/2023	3,532	3.000%	1,338.15	4,870.15
	7/1/2023	3,558	3.000%	1,311.66	4,869.66
	10/1/2023	3,585	3.000%	1,284.98	4,869.98
	1/1/2024	3,612	3.000%	1,258.09	4,870.09
	4/1/2024	3,639	3.000%	1,231.00	4,870.00
	7/1/2024	3,666	3.000%	1,203.71	4,869.71
	10/1/2024	3,693	3.000%	1,176.21	4,869.21
	1/1/2025	3,721	3.000%	1,148.51	4,869.51
	4/1/2025	3,749	3.000%	1,120.61	4,869.61
	7/1/2025	3,777	3.000%	1,092.49	4,869.49
	10/1/2025	3,806	3.000%	1,064.16	4,870.16
	1/1/2026	3,834	3.000%	1,035.62	4,869.62
	4/1/2026	3,863	3.000%	1,006.86	4,869.86
	7/1/2026	3,892	3.000%	977.89	4,869.89

Bond Debt Service

Greenbrier PSD

Design Loan

$270,156

20 Years

3.0% Interest Rate

Period Ending	Principal	Coupon	Interest	Debt Service
10/1/2026	3,921	3.000%	948.70	4,869.70
1/1/2027	3,950	3.000%	919.29	4,869.29
4/1/2027	3,980	3.000%	889.67	4,869.67
7/1/2027	4,010	3.000%	859.82	4,869.82
10/1/2027	4,040	3.000%	829.74	4,869.74
1/1/2028	4,070	3.000%	799.44	4,869.44
4/1/2028	4,101	3.000%	768.92	4,869.92
7/1/2028	4,132	3.000%	738.16	4,870.16
10/1/2028	4,162	3.000%	707.17	4,869.17
1/1/2029	4,194	3.000%	675.95	4,869.95
4/1/2029	4,225	3.000%	644.50	4,869.50
7/1/2029	4,257	3.000%	612.81	4,869.81
10/1/2029	4,289	3.000%	580.88	4,869.88
1/1/2030	4,321	3.000%	548.72	4,869.72
4/1/2030	4,353	3.000%	516.31	4,869.31
7/1/2030	4,386	3.000%	483.66	4,869.66
10/1/2030	4,419	3.000%	450.77	4,869.77
1/1/2031	4,452	3.000%	417.62	4,869.62
4/1/2031	4,485	3.000%	384.23	4,869.23
7/1/2031	4,519	3.000%	350.60	4,869.60
10/1/2031	4,553	3.000%	316.70	4,869.70
1/1/2032	4,587	3.000%	282.56	4,869.56
4/1/2032	4,622	3.000%	248.15	4,870.15
7/1/2032	4,656	3.000%	213.49	4,869.49
10/1/2032	4,691	3.000%	178.57	4,869.57
1/1/2033	4,726	3.000%	143.39	4,869.39
4/1/2033	4,762	3.000%	107.94	4,869.94
7/1/2033	4,797	3.000%	72.23	4,869.23
10/1/2033	4,833	3.000%	36.25	4,869.25
	270,156		80,462.55	350,618.55

SCHEDULE Z

None.

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

RESOLUTION AUTHORIZING THE DESIGN OF ADDITIONS, BETTERMENTS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $275,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. Greenbrier Public Service District No. 1 (the "Issuer") is a public service district and a public corporation and political subdivision of the State of West Virginia in Greenbrier County of said State, duly created pursuant to the Act by The County Commission of Greenbrier County.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be designed certain extensions, additions, betterments and improvements to the existing public sewerage facilities of the Issuer, consisting of extensions for its collection system

in Lewisburg and in the adjacent areas in the Lewisburg District (Echols Acres, Houfnagle Road, and the installation of a new system for the Meadowbrook Subdivision) in the County of Greenbrier, and expanded and improved wastewater collection services to areas within its boundaries which are commercially developed and to extend to unserved residences in the karst limestone area with severe septic problems, together with all appurtenant facilities (the design of the aforementioned improvements and extensions is herein referred to as the "Project"). The existing public sewerage facilities of the Issuer and any further improvements or extensions thereto, including those contemplated by the Project, are herein called the "System".

C. In order to complete the Project, the Issuer has entered into a Contract with the Consulting Engineer for preconstruction engineering services. The Issuer intends to finance the costs of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers its loan program, pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), in the principal amount of not more than $275,000 (the "Series 2013 A Bonds"), to temporarily finance a portion of the costs of the Project and to pay costs of issuance of the Series 2013 A Bonds. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of interest, if any, upon the Series 2013 A Bonds prior to and during the Project and for a period not exceeding 6 months after completion of the Project; amounts which may be deposited in the Series 2013 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2013 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the undertaking of the Project, and the performance of the things herein required or permitted, in connection with any thereof; *provided*, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of certain extensions, additions, betterments and improvements to the existing public sewerage facilities of the Issuer as defined in Section 1.02B is not less than 20 years.

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

G. The Issuer has the following outstanding obligations: (i) Sewer Revenue Bonds, Series 1983 B, dated June 23, 1983, issued in the original aggregate principal amount of $910,000 (the "Series 1983 B Bonds"); and (ii) Sewer Refunding Revenue Bonds, Series 2006, dated November 15, 2006, issued in the original aggregate principal amount of $3,185,000 (the "Series 2006 Bonds") (hereinafter collectively, the "Prior Bonds").

The Series 2013 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2013 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2013 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Resolutions.

H. The estimated revenues to be derived in each year from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System and the principal of and interest, if any, on the Series 2013 A Bonds and the Prior Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the Project, the Contract and the System and issuance of the Series 2013 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2013 A Bonds or such final order will not be subject to appeal.

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

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

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

"Act" means, collectively, Chapter 16, Article 13A and Chapter 22C, Article 1 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 and Registered Owner of the Series 2013 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority.

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

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

"Bond Legislation," "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, collectively, the Series 2013 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

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

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

"Closing Date" means the date upon which there is an exchange of the Series 2013 A Bonds for the proceeds or at least a de minimis portion thereof representing the purchase price of the Series 2013 A Bonds from the Authority.

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

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

"Consulting Engineers" means Criss Haynes, Lewisburg, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System or portion thereof in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; *provided, however,*

that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Contract" means the contract for preconstruction engineering services for the Project by and between the Issuer and the Consulting Engineers.

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

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

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

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

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

"Governing Body" or "Board" means the public service board of the Issuer, as it may now or hereafter be constituted.

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

"Gross Revenues" shall mean all rates, rents, fees, charges or other income (including, without limitation, sale proceeds and interest or other income derived from the investment of the funds and accounts established hereunder) received by or accrued to the Issuer from the operation of the System, as calculated in accordance with generally accepted accounting practices.

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

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

"Issuer" means Greenbrier Public Service District No. 1, a public service district, public corporation and political subdivision of the State of West Virginia in Greenbrier County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, by and between the Issuer and the Authority, providing for the purchase of the Series 2013 A Bonds, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Series 2013 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2013 A Bonds Reserve Accounts. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2013 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Operating Expenses", unless qualified, shall mean the current expenses, paid or accrued, of repair, operation and maintenance of the System and includes, without limiting the generality of the foregoing, insurance premiums, supplies, labor, wages, the cost of materials and supplies used for current operations, administrative expenses of the Issuer relating and chargeable to the System and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting practices.

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

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

"Paying Agent" means the Commission or other entity designated as such for the Series 2013 A Bonds in the Supplemental Resolution.

"Prior Bonds" means the Issuer's Series 1983 B Bonds and Series 2006 Bonds as described in Section 1.02G hereof and defined in this Section.

"Prior Resolution" means, collectively, the Resolutions authorizing the Prior Bonds.

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

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

(a) Government Obligations;

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

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

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

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

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

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

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended; and (i) Obligations of states or political subdivisions or agencies thereof, the interest on which is excluded from gross income for federal income tax

purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registered Owner," "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 bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by the Prior Resolution and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 2013 A Bonds and the Series 2006 Bonds.

"Reserve Requirement" means, collectively, the respective amount required to be on deposit in the Reserve Accounts for the Series 2013 A Bonds and the Series 2006 Bonds.

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

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

"Series 1983 B Bonds" means the Issuer's Sewer Revenue Bonds, Series 1983 B, dated June 23, 1983, issued in the original aggregate principal amount of $910,000.

"Series 2006 Bonds" means the Issuer's Sewer Refunding Revenue Bonds, Series 2006, dated November 15, 2006, issued in the original aggregate principal amount of $3,185,000.

"Series 2013 A Bonds" means the Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), authorized to be issued hereby.

"Series 2013 A Bonds Project Fund" means the Series 2013 A Bonds Project Fund established by Section 5.01 hereof.

"Series 2013 A Bonds Reserve Account" means the Series 2013 A Bonds Reserve Account established pursuant to Section 5.02 hereof.

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

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

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

"State" means the State of West Virginia.

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

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

"System" means the complete public sewerage system of the Issuer, as presently existing in its entirety or any integral part thereof, and all sewerage facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the sewerage system; and shall also include any and all extensions, additions, betterments and improvements thereto hereafter acquired or constructed for the sewerage system from any sources whatsoever.

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

Additional terms and phrases are defined in this Resolution as they are used. Accounting terms not specifically defined herein shall be given meaning in accordance with generally accepted accounting principles. 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 THE PROJECT AND APPROVAL OF THE LOAN AGREEMENT

Section 2.01. Authorization of the Undertaking of the Project. There is hereby authorized and ordered the undertaking of the Project, at an estimated cost of $423,152. The proceeds of the Series 2013 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer is hereby authorized and directed to enter into the Contract with the Consulting Engineers.

The cost of the Project is estimated to be $423,152 of which not more than $275,000 will be obtained from the proceeds of the Series 2013 A Bonds; and not less than $148,152 will be deferred from the Consulting Engineer, Accountant, Bond Counsel and Issuer's Counsel.

Section 2.02. Approval of Loan Agreement. The Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated in this Resolution. The Bonds shall be sold to the Authority pursuant to the terms and conditions of the Loan Agreement.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2013 A Bonds, funding a reserve account for the Series 2013 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2013 A Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2013 A Bonds of the Issuer. The Series 2013 A Bonds shall be issued in a single series, designated as "Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority)" in the principal amount of not more than $275,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2013 A Bonds remaining after funding of the Series 2013 A Bonds Reserve Account (if funded from Bond proceeds) and capitalization of interest on the Series 2013 A Bonds, if any, shall be deposited in or credited to the Series 2013 A Bonds Project Fund, established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2013 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2013 A Bonds shall be payable as

to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2013 A Bonds, if any, shall be paid by check or draft of the Paying Agent, or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

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

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

Section 3.03. Execution of Bonds. The Series 2013 A 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 the Series 2013 A Bonds shall cease to be such officer of the Issuer before the Series 2013 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2013 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2013 A Bonds shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bonds, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bonds shall be conclusive evidence that such Bonds have been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on the Series 2013 A Bonds shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2013 A Bonds shall be and have all of the

qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2013 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2013 A Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

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

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

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case the Series 2013 A Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2013 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No Holder or Holders of

the Series 2013 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2013 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2013 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2013 A Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

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

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

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

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

D. An executed copy of the Loan Agreement; and

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

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

[Remainder of Page Intentionally Blank]

(FORM OF SERIES 2013 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

No. AR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: That on the ___ day of _____, 2013, GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, a public service district, a public corporation and political subdivision of the State of West Virginia in Greenbrier County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns, the sum of _____ ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder, and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference. The Series 2013 A Bonds shall be dated the date hereof, and shall finally mature _____1, 20___. Interest shall commence on the date of closing on the amounts advanced and outstanding, payable quarterly on March 1, June 1, September 1 and December 1 of each year in arrears at the rate of 3.0% per annum, with the first payment due on _____1, 20__ . Commencing _____1, 20__, interest accrues at the rate of 3.0 % per annum, payable quarterly and the principal shall be payable quarterly, with all principal and interest not theretofore paid being due and payable March 1, June 1, September 1 and December 1 commencing _____ 1, 20__, to and including _____, 1, 20___, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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 _____, _____, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement between the Issuer and the Authority, dated _____, 2013.

This Bond is issued (i) to temporarily pay a portion of the costs of design of certain extensions, additions, betterments and improvements to the existing sewerage facilities of

the Issuer (the design of the aforementioned improvements and extensions is herein referred to as the "Project", and the existing public sewerage system of the Issuer, together with any further additions, betterments and improvements thereto, including those contemplated by the Project, are collectively referred to as the "System"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") 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 and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on _____, 2013, and a Supplemental Resolution duly adopted by the Issuer on _____, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S: (I) SEWER REVENUE BONDS, SERIES 1983 B, DATED JUNE 23, 1983, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $910,000 (THE "SERIES 1983 B BONDS"); AND (II) SEWER REFUNDING REVENUE BONDS, SERIES 2006, DATED NOVEMBER 15, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,185,000 (THE "SERIES 2006 BONDS") (HEREINAFTER COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2013 A Bonds Reserve Account") and from 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 shall be set aside as a special fund hereby pledged for such purpose.

This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, or the interest hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues, including the Prior Bonds; *provided, however*, that so long as there exists in the Series 2013 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding secured by a

lien or payable from such revenues, including the Prior Bonds, an amount at least equal to the requirement therefore, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the day and year first written above.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

Date: _____, 2013.

_____,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, 20___.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2013 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairman is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "EXHIBIT A" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, are hereby approved and incorporated into this Bond Legislation.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Resolution) and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

(1) Revenue Fund (established by Prior Resolution);

(2) Renewal and Replacement Fund (established by Prior Resolution);

(3) Costs of Issuance Fund (established by Prior Resolution);

(4) Rebate Fund (established by Prior Resolution); and

(5) Series 2013 A Bonds Project Fund.

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

(1) Series 1983 B Bonds Sinking Fund (established by Prior Resolution)

(2) Series 2006 Bonds Sinking Fund (established by Prior Resolution);

(3) Series 2006 Bonds Reserve Account (established by Prior Resolution)

(4) Series 2013 A Bonds Sinking Fund; and

(5) Series 2013 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds.

A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided. All monies in the Revenue Fund shall be disposed of only in the following order of priority:

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

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund to the Commission (i) for deposit into the Series 2006 Bonds Sinking Fund, the amount required by the Prior Resolution to make the interest payments on the Series 2006 Bonds; and (ii) commencing 4 months prior to the first date of payment of interest on the Series 2013 A Bonds for which interest has not been capitalized or as required in the Loan Agreement, for deposit in the Series 2013 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will become due on the Series 2013 A Bonds on the next ensuing quarterly interest payment date; *provided*, that in the event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next quarterly interest payment date is less than 4 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission (i) for deposit into the Series 1983 B Bonds Sinking Fund and the Series 2006 Bonds Sinking Fund the amounts required by the Prior Resolution to pay the principal of, respectively, the Series 1983 B Bonds and the Series 2006 Bonds; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2013 A Bonds on the next ensuing quarterly principal payment date; *provided*, that in the

event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next quarterly principal payment date is less than 4 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission (i) the amount required by the Prior Resolution to be deposited in the Reserve Account for the Series 2006 Bonds; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2013 A Bonds, if not fully funded upon issuance of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 A Bonds Reserve Requirement, until the amount in the Series 2013 A Bonds Reserve Account equals the Series 2013 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2013 A Bonds Reserve Requirement.

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

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

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

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

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

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

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

Interest, principal or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2013 A Bonds, in accordance with the respective principal amounts then Outstanding. The Commission is hereby designated as the fiscal agent for the administration of the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. The Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

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

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

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

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

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

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

F. The monies in excess of the maximum amounts insured by FDIC in any of the funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

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

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

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

J All Tap Fees shall be deposited by the Issuer, as received, in the Series 2013 A Bonds Project 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; DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2013 A Bonds, the following amount shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2013 A Bonds, there shall first be deposited with the Commission in the Series 2013 A Bonds Sinking Fund the amount, if any, set forth in the Supplemental Resolution as capitalized interest; *provided*, that such amount may not exceed the amount necessary to pay interest on the Series 2013 A Bonds for the period commencing on the date of issuance of the Series 2013 A Bonds and ending 6 months after the estimated date of completion of the Project.

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

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

D. After completion of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2013 A Bonds shall be applied as directed by the Authority.

Section 6.02. Disbursements From the Bonds Project Fund. The Issuer shall each month provide the Authority with a requisition for the costs incurred for the Project, together with such documentation as the Authority shall require. Except as provided in Section 6.01 hereof, disbursements from the Series 2013 A Bonds Project Fund shall be made only after submission to, and approval from, the Authority of a certificate, signed by an Authorized Officer stating that:

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

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

(c) Each of such costs has been otherwise properly incurred; and

(d) Payment for each of the items proposed is then due and owing.

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

The Issuer shall expend all proceeds of the Series 2013 A Bonds within 3 years of the date of issuance of the Authority's Bonds, the proceeds of which were used to make the loan to the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

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

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

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2013 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2013 A Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Commission Order of the Public Service Commission of West Virginia entered March 8, 2010, and amended April 8, 2010, in Case No. 09-0736-PSD-42A, and such rates are hereby adopted.

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

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Resolution. Additionally, so long as the Series 2013 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2013 A Bonds, immediately be remitted to the Commission for deposit in the Series 2013 A Bonds Sinking Fund, and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2013 A Bonds. Any balance remaining after the payment of the Series 2013 A Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation

thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine upon consultation with a professional engineer that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund and the Sinking Funds shall not reduce the amount required to be paid into such accounts by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

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

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

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Resolution shall be

applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2013 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and without complying with the conditions and requirements herein provided (unless less restrictive then the provisions of the Prior Resolution). All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2013 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition, or construction of additions, extensions, improvements or betterments to the System or refunding any outstanding Bonds, or both such purposes.

So long as the Prior Bonds and the Series 2013 A Bonds are outstanding, no Parity Bonds shall be issued at any time, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues expected to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall 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, if any, on the following:

(1) The Bonds Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and

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

The "estimated average increased annual Net Revenues expected to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates adopted by the Issuer and approved by the Public Service Commission of West Virginia, the time for appeal of which shall have expired prior to the issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Secretary prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period herein above referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the time for appeal of which shall have expired prior to issuance of such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security

of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. All Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 2013 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2013 A Bonds.

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

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

The Issuer shall permit the Authority, or their agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of the Project, or, at any reasonable time following commencement of the Project.

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

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained

by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Issuer. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as the Issuer shall direct.

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

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2013 A Bonds, and shall submit said report to the Authority, or any other original purchaser of the Series 2013 A Bonds. Such audit report submitted to the Authority shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

Section 7.09. Rates. Prior to the issuance of the Series 2013 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the 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 the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant,

with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2013 A Bonds and all other obligations secured by a lien on or payable from such revenues, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit in the Series 2013 A Bonds Reserve Account and the reserve accounts for all obligations secured by a lien on or payable from such Net Revenues, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2013 A Bonds and all other obligations secured by a lien on or payable from such revenues, including the Prior Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall within 30 days of adoption thereof mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and to any Holder of any Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her, and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority and to any Holder of any Bonds, or anyone acting for and on behalf of such Holder of any Bonds.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of the Project, and all permits required by federal and state laws for the Project have been obtained.

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

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the 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 so 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 and penalty charges for the restoration of service, has been fully paid. If the water facilities are not owned by the Issuer, the Issuer shall enter into a termination agreement with the water provider, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

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

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

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund.

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

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR.

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

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

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

Section 7.16. 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.

Section 7.17. Completion, Operation and Maintenance of Project; Permits and Orders. The Issuer shall complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards. The Issuer shall take all steps to properly operate and maintain the System and make the necessary replacements due to normal wear and tear so long as the Series 2013 A Bonds are outstanding.

The Issuer has obtained all permits required by state and federal laws for the undertaking of the Project, all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the undertaking of the Project and the operation of the System and all approvals for issuance of the Series 2013 A Bonds required by State law, with all requisite appeal periods having expired without successful appeal and shall provide an opinion of counsel to such effect.

Section 7.18. [RESERVED].

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2013 A Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 7.20. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act.

The Issuer also 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 undertaking of the Project and the operation, maintenance and use of the System.

The Issuer shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia.

Section 7.21. Securities Laws Compliance. The Issuer shall provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Public Releases.

A. The Issuer shall, simultaneously with the delivery of the Series 2013 A Bonds or immediately thereafter, enter into a contract with the Consulting Engineer for the immediate undertaking of the Project.

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

ARTICLE VIII

INVESTMENT OF FUNDS; USE OF PROCEEDS

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2013 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest, if any, on the Series 2013 A Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to the Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2013 A Bonds as a condition to issuance of the Series 2013 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect

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

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

ARTICLE IX

DEFAULT AND REMEDIES

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

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2013 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2013 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2013 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, or Paying Agent, or any other Paying Agent or a Holder of a Bond; or

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

(4) If default occurs with respect to the Prior Bonds or the Prior Resolution.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii)

bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the holders of the Series 2013 A Bonds shall be on a parity with the holders of the Prior Bonds.

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

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

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

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

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

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

ARTICLE X

PAYMENT AND DEFEASANCE OF BONDS

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

Series 2013 A Bonds for the payment of which either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date, the principal installments of and interest on such Series 2013 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2013 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with other monies, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of and interest due and to become due on said Series 2013 A Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor monies deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 2013 A Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior to the next redemption date or the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the

Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE XI

MISCELLANEOUS

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

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

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this 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 Series 2013 A Bonds.

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

Section 11.05. Conflicting Provisions Repealed; Prior Resolution. All orders or resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict between this Bond Legislation and the Prior Resolution, the Prior Resolution shall control (unless less restrictive), so long as the Prior Bonds are outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

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Section 11.07. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 10th day of October, 2013.

Dan Withrow

Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 on the 10th day of October, 2013.

Dated: October 18, 2013.

[SEAL]

Secretary

EXHIBIT A

Loan Agreement included in bond transcript as Document 2.3.

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

BOND RESOLUTION

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GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO THE BONDS; AUTHORIZING AND APPROVING THE SALE OF THE BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Greenbrier Public Service District No. 1 (the "Issuer") has duly and officially adopted a bond resolution, effective October 10, 2013 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE DESIGN OF ADDITIONS, BETTERMENTS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $275,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Resolution provides for the issuance of the Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority) (the "Series 2013 A Bonds"), in the principal amount not to exceed $275,000, and has authorized the execution and delivery of the loan agreement relating to the Series 2013 A Bonds, including all schedules and exhibits attached thereto, by and between the Issuer and the West Virginia Water Development Authority (the "Authority") (the "Loan Agreement"), all in accordance with Chapter 16, Article 13A and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale prices and other terms of the Series 2013 A Bonds should be established by a supplemental resolution pertaining to the Series 2013 A Bonds; and that other matters relating to the Series 2013 A Bonds be herein provided for;

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

WHEREAS, the Series 2013 A Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provision, the interest rate, the interest and principal payment dates, the sale price and other terms of the Series 2013 A Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2013 A Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1:

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 following bonds of the Issuer: Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), of the Issuer, originally represented by a single Bond, number AR-1, in the principal amount of $270,156. The Series 2013 A Bonds shall be dated the date of delivery thereof, and shall finally mature October 1, 2033. Interest shall commence on the date of closing on the amounts advanced and outstanding, payable quarterly on January 1, April 1, July 1 and October 1 of each year in arrears at the rate of 3.0% per annum, with the first payment due on January 1, 2014. Commencing January 1, 2016, interest accrues at the rate of 3.0% per annum, payable quarterly and the principal shall be payable quarterly, with all principal and interest being due and payable January 1, April 1, July 1 and October 1 commencing January 1, 2016, to and including October 1, 2033, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2013 A Bonds. The Series 2013 A Bonds shall be subject to redemption upon the written consent of the Authority, and upon

payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2013 A Bonds.

Section 2. All other provisions relating to the Series 2013 A Bonds and the text of the Series 2013 A Bonds shall be in substantially the form provided in the Bond Resolution.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, including all schedules and exhibits attached thereto, copies of which are incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the application to the Authority. The price of the Series 2013 A Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2013 A Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate United Bank, Inc., Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2013 A Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2013 A Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate City National Bank, Lewisburg, West Virginia to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2013 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2013 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2013 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2013 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2013 A Bonds, as advanced from time to time, shall be deposited in or credited to the Series 2013 A Bonds Project Fund for payment of the costs of the Project, including, without limitation, costs of issuance of the Series 2013 A Bonds and related costs.

Section 10. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Series 2013 A Bonds to be issued hereby and by the Bond

Resolution approved and provided for, to the end that the Series 2013 A Bonds may be delivered on or about, October 18, 2013, to the Authority pursuant to the Loan Agreement.

Section 11. The Project and the financing thereof, in part with proceeds of the Series 2013 A Bonds, is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer hereby determines that it is in the best interest of the Issuer to invest all monies in the funds and accounts established by the Bond Resolution held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Monies in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account shall be invested by the Commission in the West Virginia "Consolidated Fund" managed by the West Virginia Board of Treasury Investments.

Section 13. The Issuer shall not permit at any time or times any of the proceeds of the Series 2013 A Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Series 2013 A Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder or under any predecessor thereto (the "Code"), by reason of the classification of the Series 2013 A Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and Treasury Regulations to be promulgated thereunder.

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

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Adopted this 10th day of October, 2013.

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

By: Dan Withrow
Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Greenbrier Public Service District No. 1 on the 10th day of October, 2013.

Dated: October 18, 2013

[SEAL]

Secretary

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

MINUTES ON ADOPTION OF BOND RESOLUTION
AND SUPPLEMENTAL RESOLUTION

The undersigned duly appointed Secretary of the Public Service Board of Greenbrier Public Service District No. 1 hereby certifies that the following is a true and correct excerpt of the minutes of a **special meeting** of said Public Service Board:

*** *** ***

The Public Service Board of Greenbrier Public Service District No. 1 met in **special session**, pursuant to notice duly posted, on the 10th day of October, 2013, in Ronceverte, West Virginia, at the hour of 6:00 p.m.

PRESENT: Dan Withrow, Mike McClung, Mark Carver, Lisa Bennett, Steve Hunter, Criss Haynes, W.D. Smith, John Tuggle, Lesley Taylor, Samme Gee and Mark Imbrogno.

ABSENT: None.

Dan Withrow, Chairperson, presided, and Mike McClung acted as Secretary. The Chairperson announced that a quorum of members was present and that the meeting was open for any business properly brought before it.

*** *** ***

Thereupon, the Chairperson presented a proposed Bond Resolution in writing entitled:

> RESOLUTION AUTHORIZING THE DESIGN OF ADDITIONS, BETTERMENTS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $275,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS

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

and caused the same to be read and there was discussion. Upon motion duly made by Mark Carver and seconded by Mike McClung, it was unanimously ordered that said Bond Resolution be adopted and be in full force and effect on and from the date hereof.

*** *** ***

The Chairperson then presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO THE BONDS; AUTHORIZING AND APPROVING THE SALE OF THE BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Upon motion duly made by Mark Carver and seconded by Mike McClung, it was unanimously ordered that said Supplemental Resolution be adopted and be in full force and effect on and from the date hereof.

*** *** ***

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

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Dan Withrow

Chairperson

Mike McClung

Secretary

CERTIFICATION

I hereby certify that the foregoing action of Greenbrier Public Service District No. 1 remains in full force and effect and has not been amended, rescinded, superseded repealed or changed.

WITNESS my signature on this 18th day of October, 2013.

[SEAL]

Secretary

The West Virginia Daily News
PO Box 471
Lewisburg, WV 24901
PHONE: (304) 645-1206

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA
COUNTY OF GREENBRIER,
TO WIT:

I, Louise Bassett,
one of the editors of The West Virginia Daily News, a daily newspaper of general circulation published at Lewisburg, West Virginia, in the County of Greenbrier, State of West Virginia, do certify that publication of the advertisement or advertisements attached hereto was made in one (1) issues of said newspaper, dated

30 Sept. 2013

Given under my hand this 30th day of September, 2013

Louise Bassett
Editor or Publisher

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
NOTICE OF SPECIAL MEETING

The Public Service Board of Greenbrier Public Service District No. 1 (the "District") will hold a special meeting on Thursday, October 10, 2013, at 6:00 PM, prevailing time, at the district's office at 9035 Seneca Trail S., Ronceverte, West Virginia, for the following purposes:

1. To consider and adopt a proposed Bond Resolution authorizing its Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), in the aggregate principal amount not to exceed $275,000 (the "Bonds"), to permanently finance the costs of designing certain improvements and extensions to the existing public sewerage system of the district (the "Project").

2. To consider and approve all other resolution documents and matters in connection with the project.

This meeting is open to the press and the public and any person interested may attend such meeting.

/s/ Mike McClung
Secretary
(30sp)

Subscribed and sworn to before me this 30th day of September, 2013

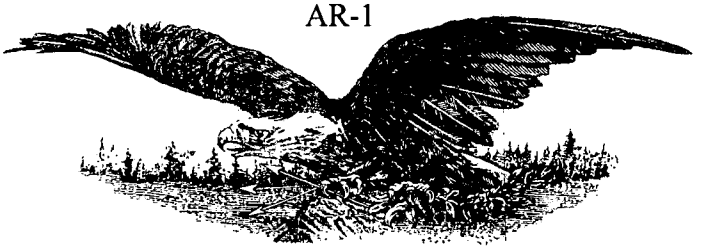
My commission expires Sept 11, 2020.

Judy Steele, Notary Public

Publication Fee: $ 23.63

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
JUDY STEELE
200 S. COURT STREET
LEWISBURG, WEST VIRGINIA 24901
MY COMMISSION EXPIRES SEPTEMBER 11

AR-1



SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

No. AR-1 $270,156

KNOW ALL MEN BY THESE PRESENTS: That on the 18th day of October, 2013, GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, a public service district, a public corporation and political subdivision of the State of West Virginia in Greenbrier County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns, the sum of TWO HUNDRED SEVENTY THOUSAND ONE HUNDRED FIFTY SIX DOLLARS ($270,156), or such lesser amount as shall have been advanced to the Issuer hereunder, and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference. The Series 2013 A Bonds shall be dated the date hereof, and shall finally mature October 1, 2033. Interest shall commence on the date of closing on the amounts advanced and outstanding, payable quarterly on January 1, April 1, July 1 and October 1 of each year in arrears at the rate of 3.0% per annum, with the first payment due on January 1, 2014. Commencing January 1, 2016, interest accrues at the rate of 3.0% per annum, payable quarterly and the principal shall be payable quarterly, with all principal and interest being due and payable January 1, April 1, July 1 and October 1 commencing January 1, 2016, to and including October 1, 2033, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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 United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

SPECIMEN

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 October 18, 2013.

This Bond is issued (i) to temporarily pay a portion of the costs of design of certain extensions, additions, betterments and improvements to the existing sewerage facilities of the Issuer (the design of the aforementioned improvements and extensions is herein referred to as the "Project", and the existing public sewerage system of the Issuer, together with any further additions, betterments and improvements thereto, including those contemplated by the Project, are collectively referred to as the "System"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") 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 and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on October 10, 2013, and a Supplemental Resolution duly adopted by the Issuer on October 10, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S: (I) SEWER REVENUE BONDS, SERIES 1983 B, DATED JUNE 23, 1983, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $910,000 (THE "SERIES 1983 B BONDS"); AND (II) SEWER REFUNDING REVENUE BONDS, SERIES 2006, DATED NOVEMBER 15, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,185,000 (THE "SERIES 2006 BONDS") (HEREINAFTER COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2013 A Bonds Reserve Account") and from 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 shall be set aside as a special fund hereby pledged for such purpose.

This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, or the interest hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the

reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues, including the Prior Bonds; *provided, however*, that so long as there exists in the Series 2013 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding secured by a lien or payable from such revenues, including the Prior Bonds, an amount at least equal to the requirement therefore, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the day and year first written above.

[SEAL]

Chairman

SPECIMEN

ATTEST:

Secretary

SPECIMEN

NUMBER

AR-1

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

Date: October 18, 2013.

UNITED BANK, INC.,
as Registrar

SPECIMEN

Authorized Officer

NUMBER

AR-1

EXHIBIT A

RECORD OF ADVANCES

SPECIMEN

	AMOUNT	DATE		AMOUNT	DATE
(1)	$51,436	October 18, 2013	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $

NUMBER

AR-1

EXHIBIT B
DEBT SERVICE SCHEDULE

SPECIMEN

Bond Debt Service
Greenbrier PSD
Design Loan
$270,156
20 Years
3.0% Interest Rate

Dated Date 10/18/2013
Delivery Date 10/18/2013

Period Ending	Principal	Coupon	Interest	Debt Service
1/1/2016	2,843	3.000%	2,026.17	4,869.17
4/1/2016	2,865	3.000%	2,004.85	4,869.85
7/1/2016	2,886	3.000%	1,983.36	4,869.36
10/1/2016	2,908	3.000%	1,961.72	4,869.72
1/1/2017	2,930	3.000%	1,939.91	4,869.91
4/1/2017	2,952	3.000%	1,917.93	4,869.93
7/1/2017	2,974	3.000%	1,895.79	4,869.79
10/1/2017	2,996	3.000%	1,873.49	4,869.49
1/1/2018	3,019	3.000%	1,851.02	4,870.02
4/1/2018	3,041	3.000%	1,828.37	4,869.37
7/1/2018	3,064	3.000%	1,805.57	4,869.57
10/1/2018	3,087	3.000%	1,782.59	4,869.59
1/1/2019	3,110	3.000%	1,759.43	4,869.43
4/1/2019	3,134	3.000%	1,736.11	4,870.11
7/1/2019	3,157	3.000%	1,712.60	4,869.60
10/1/2019	3,181	3.000%	1,688.93	4,869.93
1/1/2020	3,205	3.000%	1,665.07	4,870.07
4/1/2020	3,229	3.000%	1,641.03	4,870.03
7/1/2020	3,253	3.000%	1,616.81	4,869.81
10/1/2020	3,277	3.000%	1,592.42	4,869.42
1/1/2021	3,302	3.000%	1,567.84	4,869.84
4/1/2021	3,327	3.000%	1,543.07	4,870.07
7/1/2021	3,352	3.000%	1,518.12	4,870.12
10/1/2021	3,377	3.000%	1,492.98	4,869.98
1/1/2022	3,402	3.000%	1,467.65	4,869.65
4/1/2022	3,428	3.000%	1,442.14	4,870.14
7/1/2022	3,453	3.000%	1,416.43	4,869.43
10/1/2022	3,479	3.000%	1,390.53	4,869.53
1/1/2023	3,505	3.000%	1,364.44	4,869.44
4/1/2023	3,532	3.000%	1,338.15	4,870.15
7/1/2023	3,558	3.000%	1,311.66	4,869.66
10/1/2023	3,585	3.000%	1,284.98	4,869.98
1/1/2024	3,612	3.000%	1,258.09	4,870.09
4/1/2024	3,639	3.000%	1,231.00	4,870.00
7/1/2024	3,666	3.000%	1,203.71	4,869.71
10/1/2024	3,693	3.000%	1,176.21	4,869.21
1/1/2025	3,721	3.000%	1,148.51	4,869.51
4/1/2025	3,749	3.000%	1,120.61	4,869.61
7/1/2025	3,777	3.000%	1,092.49	4,869.49
10/1/2025	3,806	3.000%	1,064.16	4,870.16
1/1/2026	3,834	3.000%	1,035.62	4,869.62
4/1/2026	3,863	3.000%	1,006.86	4,869.86
7/1/2026	3,892	3.000%	977.89	4,869.89

Bond Debt Service
Greenbrier PSD
Design Loan
$270,156
20 Years
3.0% Interest Rate

SPECIMEN

Period Ending	Principal	Coupon	Interest	Debt Service
10/1/2026	3,921	3.000%	948.70	4,869.70
1/1/2027	3,950	3.000%	919.29	4,869.29
4/1/2027	3,980	3.000%	889.67	4,869.67
7/1/2027	4,010	3.000%	859.82	4,869.82
10/1/2027	4,040	3.000%	829.74	4,869.74
1/1/2028	4,070	3.000%	799.44	4,869.44
4/1/2028	4,101	3.000%	768.92	4,869.92
7/1/2028	4,132	3.000%	738.16	4,870.16
10/1/2028	4,162	3.000%	707.17	4,869.17
1/1/2029	4,194	3.000%	675.95	4,869.95
4/1/2029	4,225	3.000%	644.50	4,869.50
7/1/2029	4,257	3.000%	612.81	4,869.81
10/1/2029	4,289	3.000%	580.88	4,869.88
1/1/2030	4,321	3.000%	548.72	4,869.72
4/1/2030	4,353	3.000%	516.31	4,869.31
7/1/2030	4,386	3.000%	483.66	4,869.66
10/1/2030	4,419	3.000%	450.77	4,869.77
1/1/2031	4,452	3.000%	417.62	4,869.62
4/1/2031	4,485	3.000%	384.23	4,869.23
7/1/2031	4,519	3.000%	350.60	4,869.60
10/1/2031	4,553	3.000%	316.70	4,869.70
1/1/2032	4,587	3.000%	282.56	4,869.56
4/1/2032	4,622	3.000%	248.15	4,870.15
7/1/2032	4,656	3.000%	213.49	4,869.49
10/1/2032	4,691	3.000%	178.57	4,869.57
1/1/2033	4,726	3.000%	143.39	4,869.39
4/1/2033	4,762	3.000%	107.94	4,869.94
7/1/2033	4,797	3.000%	72.23	4,869.23
10/1/2033	4,833	3.000%	36.25	4,869.25
	270,156		80,462.55	350,618.55

NUMBER

AR-1

(Form of)

SPECIMEN

ASSIGNMENT

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

Dated: _____, 20___.

_____

In the presence of:

_____

BOND REGISTER

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

Bond Number	Principal Amount	Date of Bond
No. AR-1	$270,156	October 18, 2013

NO WRITING ON THIS BOND REGISTER EXCEPT BY THE REGISTRAR

Name of Registered Owner:

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

Signature of Registrar:

United Bank, Inc.
Charleston, West Virginia

Authorized Representative

WEST VIRGINIA
Water Development Authority
Celebrating 37 Years of Service 1974 - 2013

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

CONSENT TO ISSUANCE OF PARITY BONDS

In reliance upon a certificate of Blake & Boone Accounting Corporation, certified public accountants, and Jackson Kelly PLLC, bond counsel, stating that the coverage and parity requirements have been met, the undersigned duly authorized representative of the West Virginia Water Development Authority, the registered owner of the Prior Bonds, hereinafter defined and described, hereby consents to the issuance of the Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority) (the "Bonds"), in the original principal amount of $270,156, by the Greenbrier Public Service District No. 1 (the "Issuer"), under the terms of the Bond Resolution authorizing the Bonds, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's Sewer Revenue Bonds, Series 1983 B, dated June 23, 1983, issued in the original aggregate principal amount of $910,000 (the "Prior Bonds").

WITNESS my signature on this 18th day of October, 2013.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Sheila A. Miller
Authorized Representative

1009 Bullitt Street, Charleston, WV 25301
Phone (304) 414-6500 / fax (304) 414-0865
www.wvwda.org

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

GENERAL CERTIFICATE ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. SIGNATURES AND DELIVERY
6. PUBLIC SERVICE COMMISSION ORDER
7. RATES
8. INCUMBENCY AND OFFICIAL NAME
9. MEETINGS
10. INSURANCE
11. LOAN AGREEMENT
12. SPECIMEN BOND
13. BOND PROCEEDS
14. CONFLICTS OF INTEREST
15. VERIFICATION OF SCHEDULE
16. WETLANDS COVENANT
17. PROCUREMENT OF ENGINEERING SERVICES
18. COUNTERPARTS

On this 18th day of October, 2013, we, the undersigned CHAIRPERSON and the undersigned SECRETARY of the Public Service Board of the Greenbrier Public Service District No. 1 (the "Issuer") and the undersigned ATTORNEY for the Issuer, hereby certify in connection with the Greenbrier Public Service District No. 1 Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), dated the date hereof (the "Bonds" or the "Series 2013 A Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning set forth in the Bond Resolution duly adopted by the Issuer on October 10, 2013, the Supplemental Resolution duly adopted by the Issuer on October 10, 2013 (collectively, the "Resolution"), and the loan agreement for the Series 2013 A Bonds by and between the Issuer and the Authority, dated October 18, 2013 (the "Loan Agreement").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or

affecting in any manner the authorization, issuance, sale and delivery of the Bonds, the undertaking of the Project, the operation of the System, the collection or use of the revenues of the System, or the pledge and security of the Net Revenues for the Bonds; nor affecting the validity of the Bonds or any provisions made or authorized for the payment thereof; nor questioning the existence of the Issuer or the title of the members or officers of the Issuer or the Board thereof to their respective offices; nor questioning any proceedings of the Issuer taken with respect to the authorization, issuance, sale or delivery of the Bonds, the undertaking of the Project, the operation of the System, the collection or use of the revenues of the System, or the pledge and security of the Net Revenues for the Bonds.

3. GOVERNMENTAL APPROVALS: All applicable approvals, permits, exemptions, consents, authorizations, registrations, licenses, orders and certificates required by law for the creation and existence of the Issuer, the undertaking of the Project, the operation of the System, the imposition of rates and charges and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect.

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

The Series 2013 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has met the parity and coverage requirements of the Prior Bonds and the Prior Resolutions and has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature. The Issuer has obtained (i) a certificate of an Independent Certified Public Accountant stating that the parity and coverage tests of the Prior Bonds have been met; and (ii) the written consent of the Registered Owners of the Prior Bonds (except the Series 2006 Bonds) to the issuance of the Series 2013 A Bonds on a parity with the Prior Bonds. The Issuer is not required to obtain the parity consent of the Registered Owners of the Series 2006 Bonds.

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

5. SIGNATURES AND DELIVERY: The undersigned Chairperson and Secretary are the duly elected or appointed, qualified and acting officers of the Issuer as indicated by the official titles opposite their signatures below, and are duly authorized to execute and seal the Bonds for the Issuer. The seal impressed upon the Bonds and this Certificate is the duly authorized, proper and only seal of the Issuer. On the date hereof, the undersigned Chairperson did officially sign all of the Bonds, consisting upon original issuance of a single Bond, dated the date hereof, by his or her manual signature; the undersigned Secretary did officially cause the seal of the Issuer to be affixed upon the Bonds and to be attested by his or her

manual signature; the Registrar did officially authenticate, register and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement.

6. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Order of the Public Service Commission of West Virginia (the "PSC") entered on August 21, 2013, in Case No. 13-0754-PSD-PC, approving the financing for the Project. The Order remains in full force and effect.

7. RATES: The rates for the System, as approved by the PSC, are currently in effect. The time for appeal for such order has expired prior to the date hereof and such order remains in full force and effect.

8. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Greenbrier Public Service District No. 1." The Issuer is a public service district and public corporation duly created by The County Commission of Greenbrier County and existing under the laws of, and a political subdivision of, the State of West Virginia in Greenbrier County of said State. The Issuer operates the System in Greenbrier County of said State. The governing body of the Issuer is its Public Service Board, consisting of 3 duly appointed, qualified and acting members, whose names and dates of commencement and termination of their current terms are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
Dan Withrow	June 2, 2009	June 30, 2015
Mike McClung	April 26, 2011	June 30, 2013*
Mark Carver	June 2, 2009	June 30, 2015

*Serves until successor appointed.

The duly elected or appointed officers of the Board for 2013 are as follows:

Dan Withrow	Chairman
Mike McClung	Secretary
Mark Carver	Treasurer

The duly appointed and acting attorney for the Issuer is Steve Hunter, Esquire, of Lewisburg, West Virginia.

9. MEETINGS: All actions, resolutions, orders and agreements taken, adopted and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the undertaking and financing of the Project or the operation of the System were authorized or adopted at meetings of the Board duly and regularly or specifically called and held pursuant to all applicable statutes and the rules of procedure of the Board, and a quorum of duly appointed, qualified and acting members of the Board was present and acting at all times during

all such meetings. All notices required to be posted and/or published were so posted and/or published.

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

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

12. SPECIMEN BOND: Attached hereto as Exhibit A is a specimen of the Bond which, except as to execution and authentication, is identical in all respects with the Bond this day delivered to the Authority and being substantially in the form prescribed in the Resolution.

13. BOND PROCEEDS: On the date hereof, the Issuer received the sum of $51,436 from the Authority, being a portion of the principal amount of the Series 2013 A Bonds. The balance of the principal amount of the Series 2013 A Bonds will be advanced to the Issuer from time to time as the undertaking of the Project progresses.

14. CONFLICTS OF INTEREST: No member, officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or the sale of any land, materials, supplies or services to the Issuer, or to any contractor supplying the Issuer, relating to the Bonds, the Resolution and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

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

16. WETLANDS COVENANT: The Issuer hereby certifies that it will not use any proceeds of the Bonds for a purpose that will contribute to excessive erosion of highly erodible lands or to the conversion of wetlands to produce an agricultural commodity.

17. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied with all the requirements of Chapter 5G, Article 1 of the Code of West Virginia, 1931, as amended, in the procurement of the engineering services of the Consulting Engineer.

18. COUNTERPARTS: This Certificate may be executed in counterparts and all counterparts shall be deemed to be the Certificate.

[The remainder of this page left intentionally blank.]

WITNESS our signatures and the official corporate seal of Greenbrier Public Service District No. 1 as of the date first written above.

[SEAL]

Signature	Official Title
	Chairperson
	Secretary
	Attorney

EXHIBIT A

See Specimen Bond (Tab No. 14).

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

Closing Date: October 18, 2013

CERTIFICATE AS TO USE OF PROCEEDS

On this 18th day of October, 2013, the undersigned Chairperson of the Public Service Board of Greenbrier Public Service District No. 1 in Greenbrier County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $270,156 Sewer System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), of the Issuer, dated October 18, 2013 (the "Bonds" or the "Series 2013 A Bonds"), hereby certifies as follows:

1. I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Resolution duly adopted by the Issuer on October 10, 2013 (the "Bond Resolution"), authorizing the Bonds.

2. This certificate may be relied upon as the certificate of the Issuer.

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on October 18, 2013, the date on which the Bonds are being physically delivered in exchange for a portion of the principal amount of the Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Bond Resolution pursuant to which the Bonds are issued, the Issuer has covenanted that it shall not take, or permit or suffer to be taken, any action with respect to Issuer's use of the proceeds of the Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (collectively, the "Code"), issued by the West Virginia Water Development Authority (the "Authority") from which the proceeds of the Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.

5. The Bonds were sold on October 18, 2013, to the Authority, pursuant to a loan agreement dated October 18, 2013, by and between the Issuer and the Authority for an aggregate purchase price of $270,156 (100% of par), at which time, the Issuer received the sum of $51,436 from the Authority, being the first advance of the principal amount of the Bonds. No accrued interest has been or will be paid on the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as the undertaking of the Project progresses.

6. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) temporarily paying a portion of the costs of the design of certain improvements and extensions to the existing public sewer facilities of the Issuer (the "Project"); and (ii) paying certain costs of issuance of the Bonds and related costs.

7. The Issuer shall, on the date hereof or immediately hereafter, enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds for the undertaking of the Project, constituting a substantial binding commitment, or has already done so. The undertaking of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2013 A Bonds Reserve Account, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before June 2014. The undertaking of the Project is expected to be completed by June 2014.

8. The total cost of the Project is estimated at $415,152. Sources and uses of funds for the Project are as follows:

SOURCES

Series 2013 A Bonds Proceeds	$270,156
Total Sources	$270,156

USES

Costs of Project	$415,152
Costs of Issuance	$8,000
Less: Amounts Deferred	($152,996)
Total Uses	$270,156

9. Pursuant to Article V of the Bond Resolution, the following special funds or accounts have been created or continued:

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 2013 A Bonds Project Fund;

(4) Series 2013 A Bonds Sinking Fund; and

(5) Series 2013 A Bonds Reserve Account.

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

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

(2) The balance of the proceeds of the Bonds will be deposited in the Series 2013 A Bonds Project Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Bonds and related costs, and for no other purpose.

Prior to expenditure, the proceeds of the Bonds in the Series 2013 A Bonds Project Fund will be invested at a yield not to exceed the yield on the Authority's bonds, the proceeds of which were used to make the loan to the Issuer.

11. Moneys held in the Series 2013 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to meet costs of the undertaking of the Project. All investment earnings on moneys in the Series 2013 A Bonds Reserve Account (if fully funded) will be withdrawn therefrom and deposited into the Series 2013 A Bonds Project Fund during the undertaking of the Project, and following completion of the Project, will be deposited in the Revenue Fund, and such amounts will be applied as set forth in the Bond Resolution.

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

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

14. With the exception of the amount deposited in the Series 2013 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 12 months from the date of issuance thereof.

15. The Issuer does not expect to sell or otherwise dispose of the improvements or additions to be designed pursuant to the Project in whole or in part prior to the last maturity date of the Bonds.

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

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

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

19. The proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue. The Issuer covenants that it shall maintain thorough and accurate accounting records, in conformance with generally accepted accounting principles, relative to the proceeds of the Bonds so that use of the proceeds of the Bonds can be accounted for.

20. The Issuer shall use the Bond proceeds solely for the costs of the Project, and the improvements and additions to be designed pursuant to the Project will be operated solely for a public purpose as a local governmental activity of the Issuer.

21. The Bonds are not federally guaranteed.

22. The Issuer has retained the right to amend the Bond Resolution authorizing the issuance of the Bonds if such amendment is necessary to assure that the Bonds remain governmental or public purpose bonds.

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

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

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

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

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

[The remainder of this page intentionally left blank.]

WITNESS my signature as of the date first written above.

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

Dan Withrow

Chairperson

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

CERTIFICATE OF SECRETARY
AS TO TRUTH AND ACCURACY OF DOCUMENTS DELIVERED

On this 18th day of October, 2013, the undersigned duly appointed Secretary of Greenbrier Public Service District No. 1 (the "Issuer") hereby certifies that the copies of the following documents being delivered in connection with the closing of the sale of the Greenbrier Public Service District No. 1 Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), are, as of the date hereof, true and accurate copies of the originals of those documents maintained on file with the Issuer and delivered in the transcript of proceedings, that said documents have been duly adopted or approved by the Public Service Board (the "Board") of the Issuer and that said documents are still in full force and effect as of the date hereof and have not been repealed, rescinded, superseded, amended or modified in any way unless the document effecting such repeal, rescission, supersedence, amendment or modification is also listed below:

1. Orders of The County Commission of Greenbrier County Creating the Issuer.

2. Orders of The County Commission of Greenbrier County Appointing the Members of the Board.

3. Oaths of Office of the Board Members.

4. Rules of Procedure.

5. Minutes of Current Year Organizational Meeting.

6. Public Service Commission Order.

7. Infrastructure Council Approval Letter.

8. Loan Agreement.

9. Bond Resolution.

10. Supplemental Resolution.

11. Minutes of Board Meeting regarding Adoption of Bond Resolution and Supplemental Resolution.

12. Affidavits of Publication regarding Notice of Meeting to Adopt Bond Resolution and Supplemental Resolution.

13. WDA Consent to Issuance of Bonds.

14. Evidence of Insurance.

[The remainder of this page intentionally left blank.]

WITNESS my signature and the official seal of the Issuer as of the date first written above.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

[SEAL]

Secretary

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

CERTIFICATE OF CONSULTING ENGINEER

I, Criss Haynes, Registered Professional Engineer, West Virginia License No. 7844, Lewisburg, West Virginia hereby certify as follows:

1. I am engineer for the design of certain additions, betterments, improvements and extensions (the "Project") to the existing public sewerage system (the "System") of the Greenbrier Public Service District No. 1 (the "Issuer"), to be constructed primarily in Greenbrier County, West Virginia, which Project is being temporarily financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meaning set forth in the Bond Resolution adopted by the Issuer on October 10, 2013, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), dated October 18, 2013.

2. The Bonds are being issued for the purposes of (i) temporarily paying a portion of the costs of the undertaking of the Project; and (ii) paying certain issuance and other costs in connection therewith.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be completed by Criss Haynes, Consulting Engineer, as described in the application submitted to the DEP; (ii) the schematic design for the Project began before July 1, 2012, (iii) the sewerage system of the Issuer which will be designed and, when constructed, will be adequate for its intended purpose and will have a useful life of at least 20 years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) prior to construction, my firm will assist the Issuer in obtaining all applicable permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the additions, betterments, improvements and extensions to the System being designed pursuant to the Project and the operation of the System; (iv) in reliance upon the certificate of Blake & Boone Accounting Corp., independent certified public accountants, dated September 4, 2013, as of the effective date thereof, the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (v) the net proceeds of the Bonds, together with all other monies on deposit or to be simultaneously deposited and irrevocably pledged thereto, are sufficient to pay the costs of the Project, as set forth in the Application; and (vi) attached hereto as

Exhibit A is the final "Schedule B - Total Cost of Project and Sources of Funds" for the Project.

WITNESS my signature and seal on this 18th day of October, 2013.

By _____

West Virginia License No. 7844

[SEAL]

EXHIBIT A

Schedule B

(Attached)

DESIGN LOAN
SCHEDULE B
Greenbrier PSD No. 1
SEWER PROJECT - IJDC #2012S-1391, DEP CWSRF C-544449
COST OF PROJECT, SOURCES OF FUNDS AND COST OF FINANCING
9/26/2013 - DEP

		WDA Design Loan 3%, 2 years/3%, 18 years
A. Cost of Project		
1.	Construction	$ -
2.	Technical Services	
	Design Phase	$ 179,156.00
3.	Legal & Administration	
	a. Legal - Project	$ 31,500.00
	d. Project Administrator	$ 20,000.00
	e. Project Accountant	$ 31,500.00
4.	Miscellaneous	$ -
5.	Refinancing	$ -
6.	Sites and Other Lands	$ -
7.	Project Contingency	$ -
8.	Sub-Total (lines 1 thru 7)	$ 262,156.00
B. Cost of Financing		
9.	Capitalized Interest	$ -
10.	Other Costs	$ -
	a. Bond Counsel	$ 7,500.00
	b. Bank Registrar Fee	$ 500.00
	c. Funded Reserve	$ -
	d. Refinancing	$ -
11.	Total Cost of Financing	$ 8,000.00
12.	Total Project Cost (line 9 plus line 11)	$ 270,156.00
		$ -
C. Sources of Funds		
13.	Federal Grants:	$ -
14.	State Grants :	$ -
15.	Other Grants:	$ -
16	Other Sources:	$ -
17.	Total of Sources (lines 13 thru 16)	$ -
18.	Size of Bond Issue	$ 270,156.00

Dan Withrow 10/10/2013
Signature of Applicant Date

Chris Haynes 10/10/2013
Signature of Consulting Engineer Date

BLAKE & BOONE ACCOUNTING CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS
US 219 NORTH – P O BOX 187
LEWISBURG, WV 24901

PHONE 304-497-3192
FAX 304-497-3451
EMAIL fboone@bcaccpas.com

MEMBERS
WV SOCIETY OF CPAS
AMERICAN INSTITUTE OF CPAS

September 4, 2013

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

Greenbrier County Public Service District No. 1
9035 Seneca Trail South
Ronceverte, WV 24970

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

Jackson Kelly PLLC
500 Lee Street, East
Charleston, West Virginia 25301

Ladies and Gentlemen:

I have reviewed the sewer service rates of Greenbrier County Public Service District No. 1 (the "Issuer") and the projected operating expenses and anticipated customer usage provided by Criss Haynes, P.E., the consulting engineer of the Issuer in contemplation of the design financing for the wastewater treatment upgrade and extension project in the amount of $270,156. It is my opinion that such rates are adequate (i) to provide for all operating expenses of the sewerage system of the Issuer (the "System") and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Issuer's proposed Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority) (the "Series 2013 A Bonds") and all other obligations secured by or payable from revenues of the System (the "Prior Bonds").

Greenbrier County Public Service District No. 1
West Virginia Water Development Authority
Jackson Kelly PLLC

September 4, 2013

It is further my opinion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of the Series 2013 A Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the design to be financed by the Series 2013 A Bonds, will not be less than 115% of the maximum annual amount that will mature and become due in any succeeding fiscal year for principal of and interest on the Prior Bonds and the Series 2013 A Bonds.

Very truly yours,

Freddie M. Boone

Freddie M. Boone, Jr., CPA

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

RECEIPT FOR BONDS

The undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, hereby certifies as follows:

1. On this 18th day of October, 2013, in Charleston, West Virginia, the Authority received the Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), of Greenbrier Public Service District No. 1 (the "Issuer"), in the principal amount of $270,156, numbered AR-1, issued in the form of one bond, fully registered to the Authority, and dated October 18, 2013 (the "Bonds").

2. At the time of such receipt of the Bonds, they had been executed by the Chairperson of the Issuer and attested by the Secretary of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been impressed upon the Bonds.

WITNESS my signature on this 18th day of October, 2013.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Sheila A. Miller

Authorized Representative

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

RECEIPT FOR BOND PROCEEDS

The undersigned Chairperson of Greenbrier Public Service District No. 1 (the "Issuer"), for and on behalf of the Issuer, hereby certifies as follows:

On this 18th day of October, 2013, the Issuer received from the West Virginia Water Development Authority (the "Authority"), as the original purchaser of the $270,156 Greenbrier Public Service District No. 1 Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), dated October 18, 2013 (the "Series 2013 A Bonds"), the sum of $51,436, being a portion of the principal amount of the Series 2013 A Bonds. The Issuer understands that the remaining proceeds of the Series 2013 A Bonds will be advanced to the Issuer by the Authority from time to time as design proceeds to completion.

WITNESS my signature on this 18th day of October, 2013.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

Chairperson

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

REQUEST AND AUTHORIZATION TO
AUTHENTICATE, REGISTER AND DELIVER BONDS

United Bank, Inc.
Charleston, West Virginia

Ladies and Gentlemen:

We herewith hand to you, duly executed, the $270,156 Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), in the form of one bond, numbered AR-1, dated October 18, 2013 (the "Bonds"), of Greenbrier Public Service District No. 1 (the "Issuer"), authorized to be issued under and pursuant to a Bond Resolution duly adopted by the Issuer on October 10, 2013, and a Supplemental Resolution duly adopted by the Issuer on October 10, 2013.

You are hereby requested and authorized to authenticate, register and deliver the Bonds on behalf of the Issuer to the West Virginia Water Development Authority.

WITNESS my signature on this 18th day of October, 2013.

GREENBRIER PUBLIC SERVICE
DISTRICT NO.1

Dan Withrow
Chairperson

(SEAL)

Attest:

Secretary

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 18th day of October, 2013, by and between GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, a public corporation (the "Issuer"), and UNITED BANK, INC., Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $270,156 Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), dated October 18, 2013 (the "Bonds"), in the form of one bond, in fully registered form, pursuant to a Bond Resolution adopted by the Issuer on October 10, 2013, and a Supplemental Resolution adopted by the Issuer on October 10, 2013 (collectively, the "Resolution");

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 Resolution, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

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

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

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

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Resolution, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken

by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation heretofore agreed by the parties and set forth in the attached invoice.

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

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

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

ISSUER:
Greenbrier Public Service District No. 1
9035 Seneca Trail South
Ronceverte, WV 24970
Attention: Chairperson

REGISTRAR:
United Bank, Inc.
500 Virginia Street East
Charleston, WV 25301
Attention: Corporate Trust Department

The Issuer and the Registrar shall notify the other in writing of any change of address.

8. The Registrar is hereby requested and authorized to authenticate, register and deliver the Bonds in accordance with the Resolution.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the date first written above.

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

Chairperson

UNITED BANK, INC.

Authorized Officer

EXHIBIT A

See Bond Resolution (Tab No. 10)

See Supplemental Resolution (Tab No. 11)

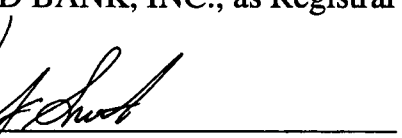
UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

CERTIFICATE OF REGISTRATION OF BONDS

UNITED BANK, INC., Charleston, West Virginia, as Registrar (the "Registrar"), hereby certifies that on the date hereof, the single, fully registered Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), of Greenbrier Public Service District No. 1 (the "Issuer"), dated October 18, 2013, in the principal amount of $270,156, numbered AR-1, was registered as to principal only, in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of the Registrar.

WITNESS my signature on this 18th day of October, 2013.

UNITED BANK, INC., as Registrar



Authorized Officer

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

City National Bank, Lewisburg, West Virginia, hereby accepts appointment as Depository Bank connection with a Bond Resolution adopted by Greenbrier Public Service District No. 1 (the "Issuer") on October 10, 2013, and a Supplemental Resolution adopted by the Issuer on October 10, 2013 (collectively, the "Resolution"), authorizing issuance of the Issuer's Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), in the amount of $270,156.00, dated October 18, 2013, and agrees to serve as Depository Bank, all as set forth in the Resolution.

WITNESS my signature on this 18th day of October, 2013.

CITY NATIONAL BANK

Authorized Officer

WEST VIRGINIA MUNICIPAL BOND COMMISSION
Suite 1117
900 Pennsylvania Avenue, Charleston, WV 25302
(304) 558-3971

3.12
NEW ISSUE REPORT FORM
Date of Report: October 18, 2013

ISSUE: Greenbrier Public Service District No. 1 Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority)
ADDRESS: 9035 Seneca Trail, Ronceverte, WV 24970 COUNTY: Greenbrier

PURPOSE OF ISSUE: New Money X
Refunding _____ Refunds issue(s) dated: _____

ISSUE DATE: October 18, 2013 CLOSING DATE: October 18, 2013
ISSUE AMOUNT: $270,156 RATE: 3 %
1st DEBT SERVICE DUE: January 1, 2014 1st PRINCIPAL DUE: January 1, 2016
1st DEBT SERVICE AMOUNT: $4,869.17 PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Jackson Kelly PLLC UNDERWRITERS COUNSEL: _____
Contact Person: Samme L. Gee, Esquire Contact Person: _____
Phone: (304) 340-1318 Phone: _____

CLOSING BANK: City National Bank ESCROW TRUSTEE: _____
Contact Person: Jonathan Shores Contact Person: _____
Phone: (304) 647-1616 Phone: _____

KNOWLEDGEABLE ISSUER CONTACT: OTHER: West Virginia Water Development Authority
Contact Person: Lisa Bennett Contact Person: Sheila Miller
Position: General Manager Function: Chief Financial Officer
Phone: (304) 946-2641 Phone: (304) 414-6500
E-Mail: greenbrierpsd1@frontier.com

DEPOSITS TO MBC AT CLOSE: _____ Accrued Interest: $_____
_____ Capitalized Interest: $_____
By _____ Wire _____ Reserve Account: $_____
_____ Check _____ Other: _____ $_____

REFUNDS & TRANSFERS BY MBC AT CLOSE:
By _____ Wire _____ To Escrow Trustee: $_____
_____ Check _____ To Issuer: $_____
_____ IGT _____ To Cons. Invest. Fund $_____
_____ To Other: _____ $_____

NOTES: *This amount due January 1, 2016. Interest only payments on amounts advanced for first 24 months, payable quarterly, to be calculated by MBC, with first payment January 1, 2014.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: _____
Transfers Required: _____
_____

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 10/3/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Renee Shotwell
Bill Bailey Insurance Agency 701 Highland Avenue P. O. Box 246 Williamstown WV 26187	PHONE (A/C, No, Ext): (304) 375-4900 FAX (A/C, No): (304) 375-2162 E-MAIL ADDRESS: rshotwell@bb-ins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: American Alternative Insurance	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
Greenbrier PSD #1
P.O. Box 1010
Lewisburg WV 24901

COVERAGES **CERTIFICATE NUMBER:** CL1310300626 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC	X		GPPA-PF-6053452-02	1/17/2013	1/17/2014	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 1,000,000 $ 10,000 $ 1,000,000 $ 3,000,000 $ 3,000,000
A	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] ALL OWNED AUTOS [ ] HIRED AUTOS [ ] SCHEDULED AUTOS [ ] NON-OWNED AUTOS			GPPA-PF-6053452-02	1/17/2013	1/17/2014	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) Uninsured motorist combined	$ 1,000,000 $ $ $ $ 1,000,000
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N [ ] (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					[ ] WC STATU-TORY LIMITS [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $
A	Employee Theft			GPPA-PF-6053452-02	1/17/2013	1/17/2014	$100,000 Per Loss $1,000 Ded Per Loss	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

(304) 399-5219

WV Water Development Authority
180 Association Drive
Charleston, WV 25311

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Renee D. Shotwell

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JACKSONKELLY
ATTORNEYS AT LAW PLLC

500 LEE STREET EAST • SUITE 1600 • P.O. BOX 553 • CHARLESTON, WEST VIRGINIA 25322 • TELEPHONE: 304-340-1000 • TELECOPIER: 304-340-1130
www.jacksonkelly.com

CLOSING MEMORANDUM

3.14

To: **Chris Jarrett**
Sheila Miller
Sara Boardman
Lisa Bennett

From: **Samme Gee**

Date: **October 18, 2013**

Re: **Greenbrier Public Service District No. 1 Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority)**

DISBURSEMENTS TO DISTRICT

Payor:	West Virginia Water Development Authority
Source:	Series 2013 A Bonds Proceeds
Amount:	$51,436
Date:	October 18, 2013
Form:	Wire Transfer
Payee:	Greenbrier Public Service District No. 1
Bank:	City National Bank 109 S. Jefferson Street P.O. Box 387 Lewisburg, West Virginia 24901
Contact:	Jonathan Shores, (304) 647-1616
Routing No.:	051904524
Account No.:	9010482421
Account:	Series 2013 A Bonds Project Fund

RESOLUTION OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 APPROVING INVOICES RELATING TO THE DESIGN OF CERTAIN PUBLIC SEWERAGE FACILITIES OF THE DISTRICT AND AUTHORIZING PAYMENT THEREOF

WHEREAS, the Greenbrier Public Service District No. 1 (the "District") has reviewed the invoices attached hereto and incorporated herein by reference relating to the design of certain extensions, additions, betterments and improvements to the public sewerage facilities of the District to be financed in part by the proceeds of the District's Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), and by other sources, and finds as follows:

(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 now due and owing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 AS FOLLOWS:

There is hereby authorized and directed the payment of the attached invoices as summarized as follows:

VENDOR		TOTAL
Project Accountant **Greenbrier Public Service District No. 1** 9035 Seneca Trail South Ronceverte, WV 24970 Reimbursements for payments made to Blake & Boone Accounting Corp *Invoice #17980 dated 11/30/2012 ($6,400.00)* *Invoice #18062 dated 01/31/2013 ($6,080.00)* *Invoice #18667 dated 07/16/2013 ($8,640.00)*		$21,120.00
Bond Counsel **Jackson Kelly PLLC** 500 Lee St E, Suite 1600 Charleston, WV 25301-3202 *Invoice #23262 dated 09/26/2013 ($7,500.00)*		$7,500.00

Bank Registrar Fee **United Bank** Corporate Trust Department P. O. Box 393 Charleston, WV		$500.00
Technical Services **Greenbrier Public Service District No. 1** 9035 Seneca Trail South Ronceverte, WV 24970 Reimbursements *Invoice from Niles & Associates dated 03/04/2012 ($1,966.00)* *Invoice from Criss Haynes dated 04/17/2012 ($875.00)* *Invoice from Criss Haynes dated 06/18/2012 ($300.00)* *Invoice from Criss Haynes dated 09/19/2012 ($62.50)* *Invoice from Criss Haynes dated 10/17/2012 ($225.00)* *Invoice from Criss Haynes dated 12/19/2012 ($2,637.50)* *Invoice from Criss Haynes dated 01/16/2013 ($1,425.00)* *Invoice from WV DNR dated 02/01/2013 ($75.00)* *Invoice from Criss Haynes dated 03/15/2013 ($2,300.00)* *Invoice from Criss Haynes dated 04/26/2013 ($1,175.00)* *Invoice from Charleston Blueprint Inc. dated 04/29/2013 ($900.00)* *Invoice from Criss Haynes dated 05/15/2013 ($600.00)* *Invoice from Criss Haynes dated 06/16/2013 ($2,700.00)* *Invoice from Criss Haynes dated 08/16/2013 ($7,075.00))*		$22,316.00
TOTAL		**$51,436.00**

Adopted by the Board of the District at a meeting held on the 30th day of September, 2013.

Dan L Withrow
Chairman

Michael L. McClung
Secretary

EXPENDITURE SCHEDULE September 30, 2013

IJDC #2012S-1391/DEP CWSRF C-544449

Greenbrier PSD No. 1 Sewer Project - Meadow Brook, Echols Acres & Houfnagle Road

	As Per Schedule B	Adjustments	Revised Budget	Paid Prior To This Draw	Requested This Draw	Paid to Date (Column 4 + 5)	Remaining (Column 3 - 6)
A. Cost of Project	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Technical Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Design Phase	179,156.00	0.00	179,156.00	0.00	22,316.00	22,316.00	156,840.00
3. Legal & Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a. Legal - Project	31,500.00	0.00	31,500.00	0.00	0.00	0.00	31,500.00
b. Project Adminstrator	20,000.00	0.00	20,000.00	0.00	0.00	0.00	20,000.00
c. Project Accountant	31,500.00	0.00	31,500.00	0.00	21,120.00	21,120.00	10,380.00
Subtotal	262,156.00	0.00	262,156.00	0.00	43,436.00	43,436.00	218,720.00
B. Cost of Financing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Capitalized Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Other Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a. Bond Counsel	7,500.00	0.00	7,500.00	0.00	7,500.00	7,500.00	0.00
b. Bank Registrar Fee	500.00	0.00	500.00	0.00	500.00	500.00	0.00
6. Total Cost of Financing	8,000.00	0.00	8,000.00	0.00	8,000.00	8,000.00	0.00
TOTAL PROJECT COST	270,156.00	0.00	270,156.00	0.00	51,436.00	51,436.00	218,720.00

NILES AND ASSOCIATES
ENGINEERS & PHOTOGRAMMETRISTS
170 EAST REYNOLDS ROAD
LEXINGTON, KY. 40517
PHONE 859-271-1483

March 4, 2012
Mr. Criss Haynes
18 Coleman Drive
Lewisburg, WV
24901

Dear Mr. Haynes,

Enclosed is our invoice for flying and pictures on your Lewisburg project.

Flying, Film, and Contact Photo's $ 1966.00

Very truly yours,
Robert H. Niles

Robert H. Niles

Niles & Associates

GBR. PUBLIC SERVICE DISTRICT NO. 1

10783

Vendor ID:

Name: NILES AND ASSOCIATES
Check Date: 04/18/12
Check Amount: 1,986.00

MEMO:
INVOICE DATED 3-4-12 TO CRISS HAYNES
INVOICE FOR FLYING AND PICTURES ON
LEWISBURG PROJECT

PRODUCT DLT111 USE WITH 9 1/2 ENVELOPE PRINTED IN U.S.A.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 10783

DATE 4-18-12

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Dieu and Associates

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Invoice for flying + pictures on your Lewisburg project - Meadow Brook -	$ 1966.00

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED:

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 534
Lewisburg, WV 24901
304-645-7507

April 17, 2012

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheets for the Ronceverte Plant Study, Meadowbrook Estates, and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheets:

Ronceverte Plant Study 35.75 hours @ $50.00	$ 1787.50
Meadowbrook Estates 17.50 hours @ $50.00	$ 875.00
Miscellaneous Projects 4.60 hours @ $50.00	$ 230.00
Amount Due	$ 2892.50

Criss Haynes Civil Engineer

Greenbrier PSD #1
Renoverte Plant Study

ck 10803

Date	Description	Start	End	Time
18-Mar	Plant calculation accompanying narratives	01:30 PM	03:30 PM	2.00
13-Mar	Narratives for plant flow & biological loading	05:00 PM	08:15 PM	3.25
30-Mar	Work on Append D flows & bio capacity	02:00 PM	03:00 PM	1.00
02-Apr	Review materials to prep for meeting	07:45 AM	09:00 AM	1.25
02-Apr	Attend Rplant public meeting	10:30 AM	11:30 AM	1.00
02-Apr	Annotate pix of renov work & design calcs	04:00 PM	05:30 PM	1.50
03-Apr	Annotate pix of renov work & design calcs	10:45 AM	12:30 PM	1.75
03-Apr	Annotate pix of renov work & design calcs	02:00 PM	06:30 PM	4.50
04-Apr	Work on pace of info for schaad & others	09:30 AM	11:30 AM	2.00
04-Apr	Work on pace of info for schaad & others	01:00 PM	02:00 PM	1.00
06-Apr	Work on plant calc sheets & narratives	09:30 AM	11:00 AM	1.50
07-Apr	narrative & pics for renovation work at plant	10:30 AM	03:30 PM	5.00
09-Apr	Sludge records at 3 plants comparison & narrative	02:00 PM	05:30 PM	3.50
10-Apr	Calls to Schaad, assemble data, subdivide presentations	10:00 AM	12:30 PM	2.50
10-Apr	Scan plant shop drawing sheets, work on overall narrative	04:00 PM	06:00 PM	2.00
10-Apr	Send out data, work on overall narrative	08:00 PM	10:00 PM	2.00
			Total Time	35.75

Greenbrier PSD #1
Meadowbrook Estates

CK 10803

Date	Description	Start	End	Time
21-Feb	Pkg plants, flow estimates, concept for design	10:00 AM	10:30 AM	0.50
28-Feb	Do new priority list with Meadowbrook included	02:00 PM	06:00 PM	4.00
26-Mar	Site inspection re: air photo work, call Niles	09:30 AM	11:00 AM	1.50
26-Mar	Set up mapping limits & send out, update w/ Steve & Lisa	01:30 PM	04:00 PM	2.50
27-Mar	Calls & disc re: mapping, place order, eli,niles,lisa,board	10:00 AM	10:45 AM	0.75
27-Mar	Call niles & set photo panels @ Meadowbrook	04:00 PM	06:15 PM	2.25
30-Mar	Meadowbrook plant & system, calls operator, roger,eli, lisa	03:00 PM	04:30 PM	1.50
30-Mar	Review Meadowbrook manuals, permits, test results, plans	07:00 PM	11:30 PM	4.50
			Total Time	17.50

Greenbrier PSD #1
Miscellaneous Projects

Ck 10803

Date	Description	Start	End	Time
24-Feb	Monthly Board meeting	07:00 AM	08:45 AM	1.75
28-Feb	Pipe tally for N Law Ph1	01:30 PM	02:30 PM	1.00
18-Mar	Monthly Board meeting	07:00 AM	08:00 AM	1.75
			Total Time	4.50

PUBLIC SERVICE DISTRICT NO. 1

10803

ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 04/18/12
Check Amount: 2,892.50

MEMO:

ENGINEERING SERVICE FOR
RONCEVERTE PLANT STUDY
MEADOWBROOK ESTATES
MISC PROJECTS

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 10803

DATE 4-18-12

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Chris Haynes

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Engineering services for Lakeview PH Project Meadow Brook Estates Misc. projects	$2892.50

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED:

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 534
Lewisburg, WV 24901
304-645-7507

June 18, 2012

No itemization
Ck 10943

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheets for the Ronceverte Plant Study, Meadowbrook Estates, and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheet:

Ronceverte Plant Study 10.00 hours @ $50.00	$ 500.00
Meadowbrook Estates 6.00 hours @ $50.00	$ 300.00
Miscellaneous Projects 5.50 hours @ $50.00	$ 275.00
Amount Due	$ 1075.00

Criss Haynes

Criss Haynes Civil Engineer

GBR. PUBLIC SERVICE DISTRICT NO. 1

10943

'endor ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 08/19/12
Check Amount: 1,075.00

MEMO:

ENGINEERING SERVICE
RONCEVERTE PLANT STUDY
MEADOWBROOK
MISCELLANEOUS

PRINTED IN U.S.A.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 10943

DATE 6-19-12

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Criss Haynes C.E.

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
Engineering services -			
		Roosevelt Pit Study $500.00	
		Meadow Brook $300.00	$1075.00
		Miscellaneous $275.00	

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 534
Lewisburg, WV 24901
304 - 667-9507

September 19, 2012

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheets for the Ronceverte Plant Study, Meadowbrook Estates, and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheet:

Ronceverte Plant Study 66.50 hours @ $50.00	$ 3325.00
Meadowbrook Estates 1.25 hours @ $50.00	$ 62.50
Miscellaneous Projects 24.50 hours @ $50.00	$ 1225.00
Amount Due	$ 4612.50
Bio Chem Testing per attached invoice	$ 640.00
Total	$ 5252.50

Criss Haynes Civil Engineer

Greenbrier PSD #1
Miscellaneous Projects

ck 11191

Date	Description	Start	End	Time
21-Jun	Discuss board meeting agenda items w/ Lisa	10:00 AM	10:15 AM	0.25
22-Jun	Monthly board meeting	07:00 AM	08:30 AM	1.50
26-Jun	Update & discuss contacts w/ state officials, rate case	09:00 AM	09:30 AM	0.50
26-Jun	Meeting w/ Fred, Lisa about rate case,disc w/ Dan & Steve	10:00 AM	11:00 AM	1.00
26-Jun	Cost impact of new plant budget figure	09:30 PM	10:00 PM	0.50
19-Jul	Update on multiple projects & contacts w/ Lisa for meeting	10:00 AM	10:30 AM	0.50
20-Jul	Prep for & attend board meeting	06:00 AM	08:30 AM	2.50
23-Jul	Calls to Lisa & Ron Miller	08:00 AM	08:15 AM	0.25
15-Aug	Prep for board meeting	03:00 PM	06:00 PM	3.00
16-Aug	Discuss flume bid for Roncev w/ Lisa	09:15 AM	09:30 AM	0.25
16-Aug	Prep for board meeting, plant renov. work	09:30 AM	01:30 PM	4.00
16-Aug	Prep for board meeting, plant renov. work	02:45 PM	04:00 PM	1.25
16-Aug	Prep for board meeting, plant renov. work, river study update	08:30 PM	10:30 PM	2.00
17-Aug	finish prep,meeting, meetings afterward	05:30 AM	09:30 AM	4.00
17-Aug	Data on plant to Schaad & call, call Lisa	02:00 PM	03:30 PM	1.50
06-Sep	Call Lisa re: meadowbrook & meeting next wk	09:00 AM	09:30 AM	0.50
06-Sep	Meadowbrook & Rplant	02:00 PM	02:30 PM	0.50
06-Sep	Call from Susan Kershner re: Meadowbrook, Ell, Roger	04:30 PM	05:00 PM	0.60
				24.50

GBR. PUBLIC SERVICE DISTRICT NO. 1

11191

Vendor ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 09/20/12
Check Amount: 5,252.50

MEMO:
INVOICE DATED 9-19-12

PRODUCT OLT111 USE WITH 11520 ENVELOPE PRINTED IN U.S.A.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11191

DATE 9-20-12

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Cross Harper C.E.

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
Invoice dated	9-19-12	Bio Chem Testing	
Gen. PH Study			
Meadowbrook Estates			
Miscellaneous Projects			$ 5252.50

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 534
Lewisburg, WV 24901
304 - 667-9507

October 17, 2012

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheets for the Ronceverte Plant Study, Meadowbrook Estates, and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheet:

Ronceverte Plant Study 5.50 hours @ $50.00	$ 275.00
Meadowbrook Estates 4.50 hours @ $50.00	$ 225.00
Miscellaneous Projects 5.00 hours @ $50.00	$ 250.00
Amount Due	$ 750.00

Criss Haynes Civil Engineer

ck 11230

GPSD #1
Misc Projects

Date	Description	Start	End	Time
21-Sep	Attend monthly board meeting	07:00 AM	09:00 AM	2.00
03-Oct	Meet w/ Lisa re: new billing, Roncav, Gtr Law, MB	10:30 AM	11:30 AM	1.00
04-Oct	Meeting w/ Roy & Bryan Dodd re: trailer park expansion	09:00 AM	11:00 AM	2.00
				5.00

GPSD #1
Ronceverte Plant Study

Date	Description	Start	End	Time
20-Sep	Put together pics & data for meeting	04:00 PM	06:00 PM	2.00
02-Oct	Site insp in Roncav /plant offline, ck lines river & town	09:00 AM	12:00 PM	3.00
16-Oct	Discuss plant project with Watershed Assoc	01:45 PM	02:15 PM	0.60
				5.60

GPSD #1
Meadowbrook Estates

Date	Description	Start	End	Time
03-Oct	Site insp @ plant, ck chemicals, flow, clarifier	09:00 AM	10:30 AM	1.50
11-Oct	Plant inspection w/ Richmoor @ Meadowbrook	09:30 AM	12:30 PM	3.00
				4.50

GBR. PUBLIC SERVICE DISTRICT NO. 1 **11230**

Vendor ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 10/17/12
Check Amount: 750.00

MEMO:

INVOICE DATE 10-17-12
RONCEVERT PLT
MEADOWBROOK
MISC PROJECTS

PRODUCT 0LT111 USE WITH 91163 ENVELOPE PRINTED IN U.S.A. A

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11230

DATE 10-19-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Criss Haynes LLC

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Miscellaneous Projects	
		Concrete PH	$ 750.00
		Meadowbrook	
		Mis. Projects 9-21/10-16	

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 534
Lewisburg, WV 24901
304-667-9507

December 19, 2012

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheets for the Ronceverte Plant Study, Meadowbrook Estates, and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheet:

Ronceverte Plant Study 9.25 hours @ $50.00	$ 462.50
Meadowbrook Estates 52.75 hours @ $50.00	$2637.50
Miscellaneous Projects 11.00 hours @ $50.00	$ 550.00
Subtotal	$3650.00
Bio Chem Testing per attached invoice	$1020.00
Amount Due	$4670.00

Criss Haynes Civil Engineer

CK 11385

GPSD #1
Misc Projects

Date	Description	Start	End	Time
17-Oct	Set up mtg w/ Schaad, call Lisa to update re: GVWSA	12:00 PM	12:15 PM	0.25
18-Oct	Prep for Tues Eli, Lisa, Roger, Bill H, all plant systems	09:00 AM	01:30 PM	4.50
19-Oct	Prep for & attend board meeting, calls Zeto, Hunter, Lisa	06:30 AM	09:30 AM	3.00
24-Oct	Meeting w/ Steve & Lisa re: steps forward	10:00 AM	11:00 AM	1.00
31-Oct	Update w/ Lisa on mult projects	01:00 PM	01:15 PM	0.25
18-Nov	Monthly board meeting	07:00 AM	09:00 AM	2.00
				11.00

GPSD #1
Roncaverte Plant Study

Date	Description	Start	End	Time
18-Oct	Roncev test results 2009-2012 ck permit limits	03:30 PM	05:15 PM	1.76
18-Nov	Prep for meeting w/ Dave Schaad	05:00 PM	08:00 PM	3.00
19-Nov	Part of trip to NC & meeting w/ Dave Schaad	12:30 PM	05:00 PM	4.50
				9.25

GPSD #1
Meadowbrook Estates

Date	Description	Start	End	Time
19-Oct	Meeting w/ Eli, Roger, & Lisa	12:45 PM	02:15 PM	1.50
19-Oct	Prefab chlorine contact chambers	05:30 PM	06:15 PM	0.75
23-Oct	Prep for meeting	07:30 AM	10:30 AM	3.00
23-Oct	Trip to Charleston & meeting with DEP & PSC	10:45 AM	05:15 PM	6.50
26-Oct	Planning for Meadowbrook	12:15 PM	01:15 PM	1.00
28-Nov	Work on cost estimate for sewer lines & plant	10:00 AM	12:30 PM	2.50
28-Nov	Digitized drawing devel & meeting @ PSD re: project	02:00 PM	04:45 PM	2.75
29-Nov	Develop drawings from orig plans	07:45 AM	12:15 PM	4.50
29-Nov	Develop drawings from orig plans	03:00 PM	06:00 PM	3.00
30-Nov	Work on profiles & vic map	10:30 AM	12:30 PM	2.00
30-Nov	Work on C1 & C2 sewer plan views, vic & loc maps	02:15 PM	06:15 PM	4.00
01-Dec	Develop plant topographic mapping	03:00 PM	06:00 PM	3.00
05-Dec	Work on flow data for existing customers, calls Lisa	03:30 PM	04:30 PM	1.00
14-Dec	Update w/ Roger, work cost Meadowbrook, equip rental rates	11:00 AM	12:30 PM	1.50
14-Dec	Work on cost estimate	01:15 PM	06:00 PM	4.75
17-Dec	Treatment plant & plant site prelim work items	07:00 AM	10:15 AM	3.25
17-Dec	Lisa & Don Wang update	01:15 PM	01:45 PM	0.50
17-Dec	Treatment plant equipment	02:30 PM	06:30 PM	4.00
18-Dec	Don Wong w/ WVDEP & Lisa update	09:30 AM	10:00 AM	0.50
18-Dec	Calls to equip suppliers, DEP comments	01:30 PM	03:00 PM	1.50
18-Dec	Work on overall budget for this segment	03:45 PM	05:00 PM	1.25
				52.75

GBR. PUBLIC SERVICE DISTRICT NO. 1 **1138E**

Vendor ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 12/19/12
Check Amount: 4,670.00

MEMO:

RONCEVERTE PLT STUDY
MEADOWBROOK ESTATES
MISCELLANEOUS PROJECTS
BIO CHEM TESTING

PRINTED IN U.S.A.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11385

DATE 12-19-12

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE: Chas Haynes, Civil Engineer

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Ronceverte PH Study	462.50
		Meadowbrook Estates	2637.50
		Miscellaneous projects	530.00
		Bio Chem Testing	1020.00
			4670.00

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 534
Lewisburg, WV 24901
304 - 667-9507

January 16, 2013

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheet for Meadowbrook Estates and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheet:

Meadowbrook Estates 28.50 hours @ $50.00	$1425.00
Miscellaneous Projects 4.50 hours @ $50.00	$ 225.00
Amount Due	$1650.00

Criss Haynes

Criss Haynes Civil Engineer

GPSD #1
Meadowbrook Estates

ck 11445

Date	Description	Start	End	Time
30-Dec	Work on plant costs and site work items	09:30 AM	12:00 PM	2.50
30-Dec	Work on budget & report	01:00 PM	06:15 PM	5.25
03-Jan	Plant equipment work w/ vendors, work on equip siting & elev	09:00 AM	11:45 AM	2.75
04-Jan	Work on mapping for submission	10:00 AM	01:00 PM	3.00
11-Jan	Edit of narratives to add Meadowbrook & remove others	01:00 PM	05:30 PM	4.50
14-Jan	Review environmaental data & work on FONSI contacts	01:30 PM	02:00 PM	0.50
14-Jan	Calls agencies re: update of environmental approvals	02:45 PM	05:45 PM	3.00
15-Jan	Work on letters & maps for envirnm. approvals to add Meadowbr	11:30 AM	12:45 PM	1.25
15-Jan	Maps & letters Meadowbrook	03:00 PM	05:00 PM	2.00
16-Jan	Maps , letters to agencies, permits Meadowbrook	06:00 PM	09:45 PM	3.75
				28.60

GPSD #1
Misc Projects

Date	Description	Start	End	Time
21-Dec	Prep for and attend monthly board meeting	06:00 AM	09:00 AM	3.00
16-Jan	Roncev offline - ck for overflows	10:45 AM	12:15 PM	1.50
				4.50

GBR. PUBLIC SERVICE DISTRICT NO. 1 **11442**

Vendor ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 01/16/13
Check Amount: 1,650.00

MEMO:
FOR MEADOWBROOK ESTATES AND
MISC PROJECTS

PRODUCT CLT111 · USE WITH 91500 ENVELOPE PRINTED BY U.S.A.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11442

DATE 1-16-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Criss Haynes, Civil Engineer

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Engineering services	#1650.00
		Invoice dated 1-16-13.	
		Meadowbrook Estates & Misc projects	

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

NO. 213-498

INVOICE

West Virginia Division of Natural Resources
Wildlife Resources Section, P.O. Box 67, Elkins, WV 26241
Attention: Ms. Patty Fordyce

In Account With: Criss Haynes
PO Box 534
Lewisburg, WV 24901

Date: February 1, 2013

Attention:

For the retrieval and compilation of information on rare, threatened and endangered species and sensitive habitats for the proposed sewer system extension project for the Greenbrier PSD (Echols Acres, Houfnagle Road, Meadowbrook Estates) near in Lewisburg, WV.

AMOUNT DUE: $75.00

Make check payable to WV Division of Natural Resources. Please reference the invoice number on your check. Mail to the above address and to the attention of Ms. Fordyce.

R. PUBLIC SERVICE DISTRICT NO. 1 11565

dor ID: WV DIV

Name: WV DIVISION OF NATURAL RESOURCES
Check Date: 03/18/13
Check Amount: 75.00

MEMO:
INVOICE # 213-496

USE WITH 91600 ENVELOPE PRINTED IN U.S.A.

Put in Hayneedfile

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11565

DATE 3-18-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE WV Division of Natural Resources

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
213-496	2-1-13		$75.00

retrieval + compilation of info - Echols Acres, Houfraggle, Meadow Brook

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 634
Lewisburg, WV 24901
304 - 667-9507

March 15, 2013

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheet for Meadowbrook Estates and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheet:

Meadowbrook Estates 46.0 hours @ $50.00	$2300.00
Miscellaneous Projects 8.75 hours @ $50.00	$ 437.50
Amount Due	$2737.50

Criss Haynes

Criss Haynes Civil Engineer

GPSD #1
Meadowbrook Estates

Date	Description	Start	End	Time
17-Jan	Operation & maint costs	09:30 AM	02:30 PM	5.00
23-Jan	Put together maps & letters for FONSI	06:30 PM	10:30 PM	4.00
24-Jan	Review & edit engineering report to add Meadowbrook	11:15 AM	03:30 PM	4.25
25-Jan	Review & edit engineering report to add Meadowbrook	10:45 AM	02:15 PM	3.50
25-Jan	Review & edit engineering report to add Meadowbrook	03:45 PM	08:15 PM	4.50
26-Jan	Review & edit engineering report to add Meadowbrook	12:30 PM	03:30 PM	3.00
26-Jan	Review & edit engineering report to add Meadowbrook	04:00 PM	07:30 PM	3.50
27-Jan	Put together report & attachments	01:45 PM	09:00 PM	7.25
31-Jan	Ck on plant flow, maint, ck manholes & pipe type	01:30 PM	03:00 PM	1.50
07-Feb	Review & edit engineering report to add Meadowbrook	07:00 AM	11:30 AM	4.50
07-Feb	Review & edit engineering report to add Meadowbrook	02:00 PM	07:00 PM	5.00
				46.00

GBR. PUBLIC SERVICE DISTRICT NO. 1 11549

Vendor ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 03/18/13
Check Amount: 2,737.50

MEMO:
ENGINEERING SERVICES THRU
3-15-13

PRODUCT SOLT111 USE WITH 9360 ENVELOPE PRINTED IN U.S.A.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11549

DATE 3-18-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Brian Haynes, Engineer

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Engineering Work thru 2-15-13	
		Meadowbrook - 2300.00	
		Misc Projects - 437.50	2737.50

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 534
Lewisburg, WV 24901
304 - 667-9507

April 26, 2013

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheet for Meadowbrook Estates and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheet:

Meadowbrook Estates 23.50 hours @ $50.00	$1175.00
Miscellaneous Projects 4.75 hours @ $50.00	$ 237.50
Amount Due	$1412.50

Criss Haynes

Criss Haynes Civil Engineer

Ck # 11665

GPSD #1
Misc Projects

Date	Description	Start	End	Time
15-Mar	Monthly board meeting	07:00 AM	09:00 AM	2.00
15-Apr	Sweet Grass, site insp, call fr Frank B, call Lisa	08:45 AM	09:30 AM	0.75
26-Apr	Monthly board meeting	07:00 AM	09:00 AM	2.00
				4.75

GPSD #1
Meadowbrook Estates

Date	Description	Start	End	Time
15-Apr	Ck control points at Meadowbrook	09:30 AM	11:00 AM	1.50
16-Apr	Equipment training in Charleston	01:00 PM	03:00 PM	2.00
17-Apr	Ground control GPS surveys	11:00 AM	04:00 PM	5.00
19-Apr	Ground control GPS surveys	01:00 PM	04:00 PM	3.00
20-Apr	Ground control GPS surveys	09:00 AM	02:00 PM	6.00
23-Apr	GPS manholes & control points	10:00 AM	05:00 PM	7.00
				23.50

BR. PUBLIC SERVICE DISTRICT NO. 1 11665

ender ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 04/30/13
Check Amount: 1,412.50

MEMO:
ENGINEERING SERVICE
MEADOWBROOK AND MISC PROJECTS

PRINTED IN U.S.A.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11665

DATE 4-30-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Chas. Haynes, Engineer

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Meadowbrook Work	$1,175.00
		Miscellaneous Projects	237.50
			$1,412.50

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

Charleston Blueprint Inc
1203 Virginia Street East
Charleston, WV 25301
Phone 304-343-1063
Fax 304-343-1095

Invoice

Date	Invoice #
4/29/2013	118154

Bill To	Ship To
Greenbrier Public Service Distict #1 9035 Seneca Trail South Ronceverte WV 24970	Greenbrier Public Service Distict #1 9035 Seneca Trail South Ronceverte, WV 24970

P.O. Number	Terms	Rep	Ship	Via
			4/29/2013	

Quantity	Item Code	Description	Price Each	Amount
1	Rental	OPS RENTAL Rental	900.00	900.00 900.00
		Sales Tax	6.00%	0.00
			Total	$900.00

Thank you for your business.

GBR. PUBLIC SERVICE DISTRICT NO. 1

11721

/endor ID: CHARLESTON

Name: CHARLESTON BLUEPRINT INC
Check Date: 05/16/13
Check Amount: 800.00

MEMO:
INVOICE # 116154

PRINTED IN U.S.A.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11721

DATE 5-16-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Charleston Blueprint Inc.

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
118154	4-29-13	GPS Rental used by Chris Haynes, Engineer Meadowbrook Est.	$900.00

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

Tax removed - Form faxed to Kim

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 534
Lewisburg, WV 24901
304 - 667-9507

May 15, 2013

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheet for Meadowbrook Estates. Work time is summarized below and described in detail on the attached time sheet:

Meadowbrook Estates 12.00 hours @ $50.00	$600.00
GPS Equipment Rental Per Attached Invoice *	~~$954.00~~
Amount Due	~~$1554.00~~ $ 600.00

Criss Haynes
Criss Haynes Civil Engineer

* rebilled by the Charleston Blueprint people to GPSD #1 - this way we can remove the tax on the invoice

GPSD #1
Meadowbrook Estates

ck 11722

Date	Description	Start	End	Time
06-May	Call Lisa, meet w/ Eli @ church, update on proj w/ Eli	08:30 AM	10:30 AM	1.00
06-May	Prepare mapping & data for meeting & meeting	04:30 PM	07:30 PM	3.00
14-May	Work on reduction of GPS data for MB	02:30 PM	06:30 PM	4.00
15-May	Meadowbrook mapping & fieldwork	08:00 AM	12:00 PM	4.00
				12.00

GBR. PUBLIC SERVICE DISTRICT NO. 1 11722

Vendor ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 05/16/13
Check Amount: 600.00

MEMO:
ENGINEERING WORK ON MEADOW BROOK PROJECT

QUOT SEALTITE USE WITH 91500 ENVELOPE PRINTED IN U.S.A. A

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11722

DATE 5-16-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Criss Haynes

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Work on the Meadow Brook project	$600.00

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

CRISS HAYNES
Civil Engineer
P.O. Box 584
Lewisburg, WV 24901
304-667-9507

July 16, 2013

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheet for Meadowbrook Estates and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheet:

Meadowbrook Estates 54.00 hours @ $50.00	$2700.00
Miscellaneous Projects 12.00 hours @ $50.00	$ 600.00
Amount Due	$3300.00

Criss Haynes

Criss Haynes Civil Engineer

Ck # 11913

GPSD #1
Misc Projects

Date	Description	Start	End	Time
20-Mar	Monthly board meeting	07:00 AM	09:00 AM	2.00
26-Apr	Monthly board meeting	07:00 AM	09:00 AM	2.00
30-May	Prep for meeting, call DOH, PSD, & Mark	10:15 AM	11:15 AM	1.00
19-Jun	Monthly board meeting	07:00 AM	08:30 AM	1.50
19-Jun	Meet with Wally Dunford re: carwash sewer	09:30 AM	10:00 AM	0.50
19-Jun	Calls Lisa & Scott, survey, psc, public meeting	02:00 PM	02:45 PM	0.75
19-Jun	Ck pump sta #2 boundary & boring locations	08:30 PM	09:00 PM	0.50
21-Jun	Meeting w/ PSC Rep @ Dunford's	01:30 PM	02:00 PM	0.50
09-Jul	Field work at car wash	08:30 AM	10:30 AM	2.00
10-Jul	Review notes, call Wally & Lisa	10:30 AM	11:00 AM	0.50
16-Jul	Discuss district boundary adjustment with Lisa & Region IV	01:00 PM	01:46 PM	0.75
				12.00

GPSD #1
Meadowbrook Estates

Date	Description	Start	End	Time
23-Apr	Meadowbrook control points, MH, & ties to plant site	09:00 AM	03:00 PM	6.00
24-Apr	Download data, ck files, pack equipment	04:30 PM	06:00 PM	1.50
06-May	Call Lisa, meet w/ Eli @ Church, update on proj w/ Eli	09:30 AM	10:30 AM	1.00
06-May	Prepare mapping & data for meeting & meeting	04:30 PM	07:30 PM	3.00
14-May	Work on reduction of GPS data for MB	02:30 PM	06:30 PM	4.00
15-May	Meadowbrook mapping & Field Work	09:00 AM	01:00 PM	4.00
15-May	Field work to tie plant site to GPS control points	03:30 PM	06:30 PM	3.00
18-Jun	Ck w/ plant mfgr re: design, specs, site visit	01:46 PM	05:15 PM	3.50
25-Jun	Ck on mapping, send photo w/ MH locations, ck MH in field	04:00 PM	05:00 PM	1.00
25-Jun	Field locate manholes w/ neighbors	05:00 PM	07:00 PM	2.00
01-Jul	Review permit documents status	10:00 AM	11:00 AM	1.00
01-Jul	Download & review Meadowbrook mapping	05:15 PM	06:30 PM	1.25
12-Jul	Call Purestream re: submittal contents & status	10:30 AM	10:45 AM	0.25
12-Jul	Rainfall & flow data, review "To Do" for Meadowbrook	11:30 AM	12:15 PM	0.75
12-Jul	Treatment plant plans & specs review	01:30 PM	04:30 PM	3.00
12-Jul	Mapping for hydrologic study	06:30 PM	07:15 PM	0.75
15-Jul	Work on plant design, maps, hydrology, layout	09:15 AM	12:00 PM	2.75
15-Jul	Work on plant design, maps, hydrology, layout	02:15 PM	07:15 PM	5.00
15-Jul	Edit subdivision & plant site mapping	07:15 PM	08:15 PM	1.00
16-Jul	Edit subdivision & plant site mapping	08:15 AM	12:15 PM	4.00
16-Jul	Edit subdivision & plant site mapping	01:46 PM	05:00 PM	3.25
16-Jul	Edit subdivision & plant site mapping	06:30 PM	08:30 PM	2.00
				54.00

ABR. PUBLIC SERVICE DISTRICT NO. 1

11913

Vendor ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 06/30/13
Check Amount: 3,300.00

MEMO:
ENGINEERING SERVICES

OUCT 65L7111 USE WITH 61100 ENVELOPE PRINTED IN U.S.A.

June

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11913

DATE 7-17-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Criss Haynes

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Engineering services for Meadowbrook Estates & Miscellaneous Projects	$ 3300.00

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

100399

CRISS HAYNES
Civil Engineer
P.O. Box 694
Lewisburg, WV 24901
304 - 667-9507

August 16, 2013

Mr. Dan Withrow
Board Chairman
Greenbrier PSD #1
9035 Seneca Trail South
Ronceverte, WV 24970

Invoice:

Engineering services to date as listed on the attached time sheet for Meadowbrook Estates and Miscellaneous Projects. Work time is summarized below and described in detail on the attached time sheet:

Meadowbrook Estates 141.50 hours @ $50.00	$7075.00
Miscellaneous Projects 3.75 hours @ $50.00	$ 187.50
Amount Due	$7262.50

Criss Haynes

Criss Haynes Civil Engineer

Check # 1877

GPSD #1
Misc Projects

Date	Description	Start	End	Time
18-Jul	Prep for meeting	03:15 PM	03:45 PM	0.50
19-Jul	Prep for meeting	06:00 AM	06:15 AM	1.25
19-Jul	Monthly board meeting	07:00 AM	09:00 AM	2.00
			Total Time	3.75

GPSD #1
Meadowbrook Estates

Date	Description	Start	End	Time
17-Jul	Treatment plant boundary, envirn letters, call Corps	11:00 AM	12:00 PM	1.00
18-Jul	Ck on plant maint & sewer line repair	02:15 PM	02:30 PM	0.25
22-Jul	Work on specs	08:00 AM	11:30 AM	3.50
22-Jul	Work on specs	01:30 PM	06:15 PM	4.75
22-Jul	Work on specs, plant drawings	06:30 PM	08:00 PM	1.50
23-Jul	Plant drawings P1 thru P3	07:30 AM	11:00 AM	3.50
23-Jul	Call vendors, work on site plan for plant, plans exist sewer, UV	11:00 AM	01:45 PM	2.75
23-Jul	Work on existing MH & CO locations - plot on mapping	02:45 PM	04:00 PM	1.25
25-Jul	Permit apps, & specs for plant & pump sta	05:30 AM	07:30 AM	2.00
25-Jul	Permit applications	08:30 AM	11:30 AM	3.00
25-Jul	Permit applications, Corps	02:00 PM	03:15 PM	1.25
25-Jul	Permit applications, Corps	04:00 PM	07:30 PM	3.50
25-Jul	Permit applications, Corps	08:45 PM	09:30 PM	0.75
26-Jul	Survey for Meadowbrook	08:30 AM	07:30 AM	1.00
26-Jul	Survey for Meadowbrook	08:30 AM	07:30 PM	11.00
27-Jul	Reduce notes & work on sewer line design drawings	02:30 PM	03:00 PM	0.50
27-Jul	Reduce notes & work on sewer line design drawings	03:30 PM	04:30 PM	1.00
28-Jul	Adjust coord values to ground from geoid , plot on Topo	11:30 AM	02:00 PM	2.50
28-Jul	Plan profile setup & drawing	03:30 PM	09:45 PM	6.25
29-Jul	Work on plan-profile drawings	04:30 PM	06:00 PM	1.50
29-Jul	Work on plan-profile drawings	07:15 PM	08:15 PM	1.00
29-Jul	Work on plan-profile drawings	09:00 PM	11:00 PM	2.00
30-Jul	Work on plan-profile drawings, stream xing & plant constraints	08:45 AM	01:45 PM	5.00
30-Jul	Work on plan-profile drawings, stream xing & plant constraints	04:15 PM	09:15 PM	5.00
31-Jul	Water lines @ Meadowbrook	03:15 PM	04:00 PM	0.75
01-Aug	Permits, plant site, specs	06:15 AM	11:15 AM	5.00
01-Aug	Calls from Don W, call Lisa, Fred, WD	03:00 PM	04:00 PM	1.00
02-Aug	Box culvert crossing	05:00 AM	08:30 AM	3.50
02-Aug	Box culvert crossing	02:15 PM	05:00 PM	2.75
02-Aug	Box culvert crossing	06:45 PM	07:45 PM	1.00
03-Aug	Box culvert crossing & plant site	02:30 PM	06:45 PM	4.25
04-Aug	Update "to do" list for proj	05:45 AM	06:30 AM	0.75
04-Aug	Plant site plan development	06:30 AM	11:15 AM	4.75
04-Aug	Plant site plan development	01:15 PM	01:45 PM	0.50
04-Aug	Plant site plan development	02:45 PM	06:15 PM	3.50
05-Aug	Plant site plan development	08:30 AM	09:00 AM	0.50
05-Aug	Plant site plan development	09:30 AM	12:00 PM	2.50
05-Aug	Box Culvert Conc. Plan	12:00 PM	04:15 PM	4.25
05-Aug	Field unspection of other uylilties, set up & plot plant dwgs	05:30 PM	09:00 PM	3.50
06-Aug	Plot dwgs, calls to Lisa & Eric F. Meet w/ Steve	08:00 AM	09:45 AM	1.75
06-Aug	Meet w/ power co re: routing of UG lines, call highways & DEP	10:30 AM	12:30 PM	2.00
06-Aug	Set up to do individual plan/profile sheets	01:45 PM	03:30 PM	1.75
07-Aug	Work on individual plan/profile sheets, calls WVDOH, Fred, Lisa	09:30 AM	01:30 PM	4.00

07-Aug	WVDOH, Miss Utility, work on plans for sewer lines & permit dwg	03:30 PM	07:00 PM	3.50
08-Aug	Plan/profile sheets	06:15 PM	09:45 PM	3.50
09-Aug	Set up plan/profile sheets	06:00 PM	07:30 PM	1.50
10-Aug	Miss Utility check for markings	09:45 AM	10:00 AM	0.25
10-Aug	Work on plan/profile sheets	01:15 PM	07:00 PM	5.75
13-Aug	Work on Plan/Profile Sheets	09:45 AM	12:45 PM	3.00
13-Aug	Work on Plan/Profile Sheets	02:00 PM	07:15 PM	5.25
14-Aug	Work on Plan/Profile Sheets & Subdiv map	05:00 AM	11:00 AM	6.00
			Total Time	141.50

CK # 11977

GBR. PUBLIC SERVICE DISTRICT NO. 1 11977

Vendor ID: HAYNES

Name: CRISS M. HAYNES
Check Date: 08/15/13
Check Amount: 7,262.50

MEMO:
MEADOWBROOK WORK AND MISC WORK

PRODUCT SSLT111 USE WITH 91500 ENVELOPE PRINTED IN U.S.A. A

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11977

DATE 8-15-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE: Cressi Haynes, C.E.

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
dated 8-16-13			
		Meadowbrook - 7075.00	
		Misc - 187.50	7262.5

100399

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

BLAKE & BOONE ACCOUNTING CORPORATION
US 219 North
P O Box 187
Lewisburg, WV 24901-0187

Phone: 304-497-3192
Fax: 304-497-3451

Invoice Number:
17980

Invoice Date:
11/30/12

Gbr Public Service Dist #1
9035 Seneca Trail South
Ronceverte, WV 24970

Client: 0290

For Professional Services Rendered In Connection With:

Rule 42 Exhibit for Hoffnagel, Echols Acres, & Meadowbrook Expansion Project - Revision 3	6,400.00

INVOICE TOTAL 0.00

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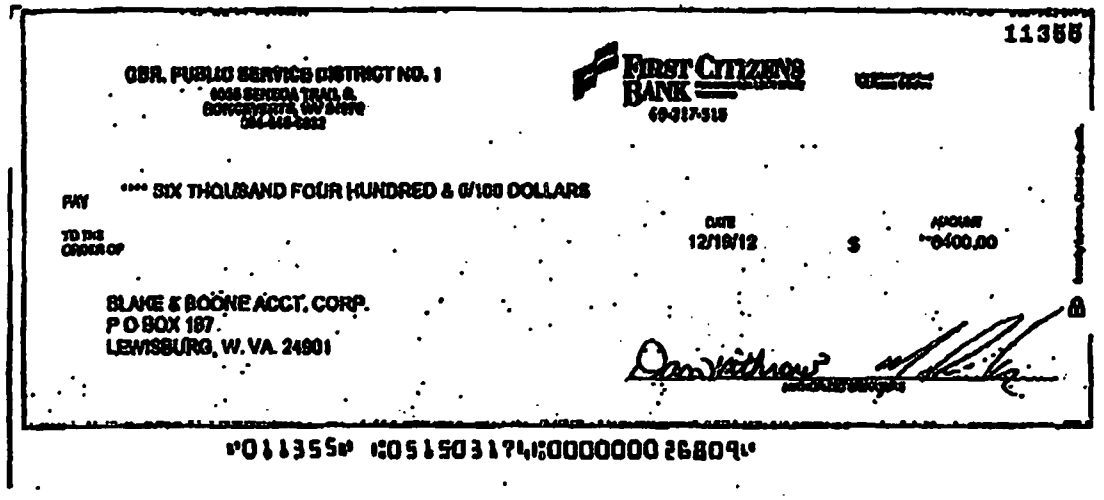

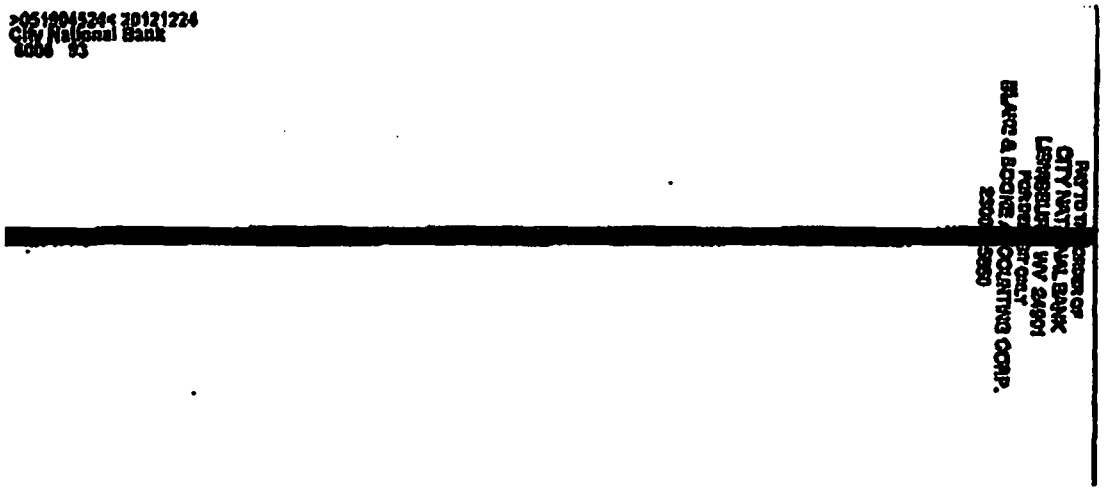

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GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11355

DATE 12-19-12

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Blake & Boone Acctg Corp.

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Professional services rendered in connection with Echols Acres, Houfnaggle Rd, Meadow Brook Estates	$6400.00

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

BLAKE & BOONE ACCOUNTING CORPORATION
US 219 North
P O Box 187
Lewisburg, WV 24901-0187

Phone: 304-497-3192
Fax: 304-497-3461

Invoice Number:
18062

Invoice Date:
1/31/13

Gbr Public Service Dist #1
9035 Seneca Trail South
Ronceverte, WV 24970

Client: 0290

For Professional Services Rendered In Connection With:

Work to date on Version 4 of Rule 42 Exhibit	6,080.00

INVOICE TOTAL **6,080.00**

BOB Advantage: Check Image

Image

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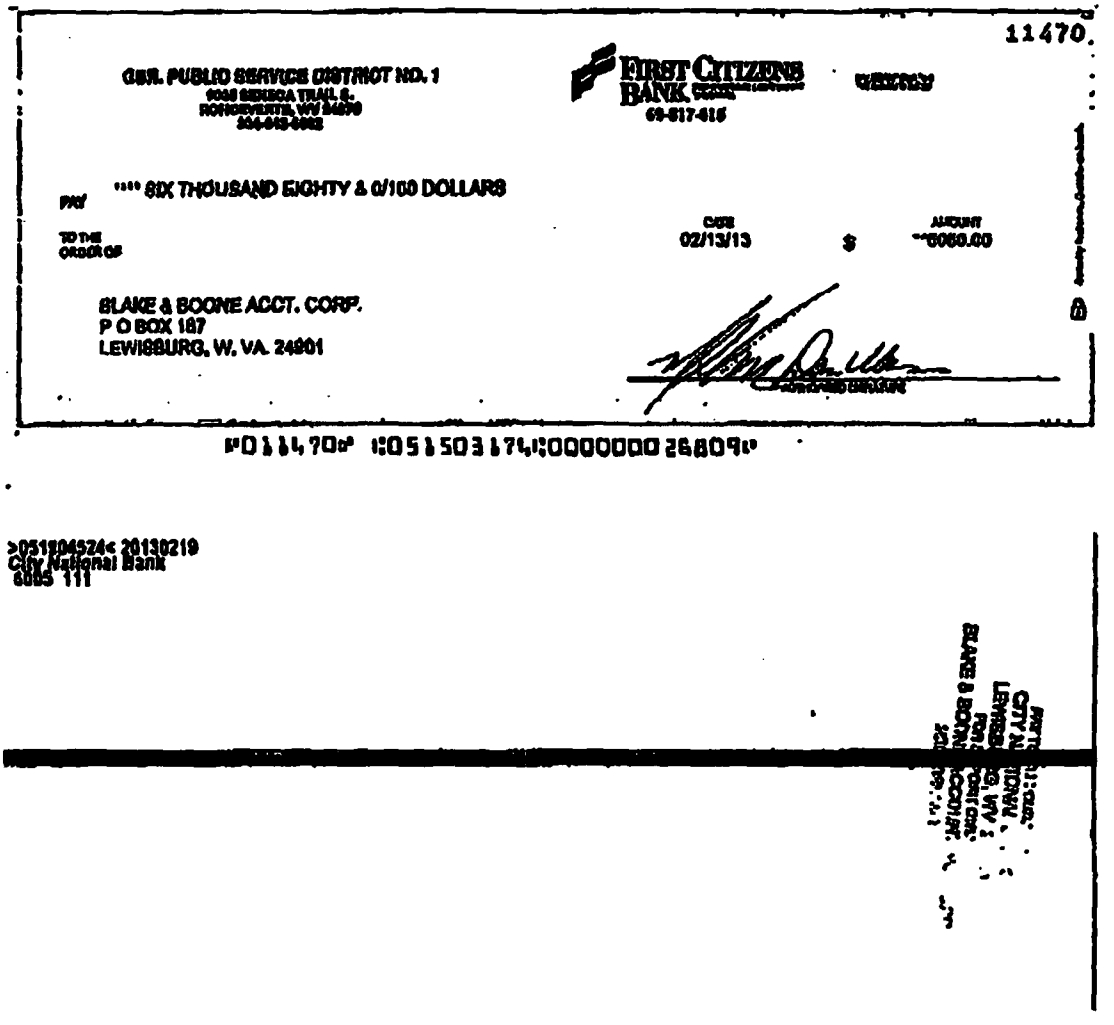

11470

GSR. PUBLIC SERVICE DISTRICT NO. 1

FIRST CITIZENS BANK

69-617-416

PAY **** SIX THOUSAND EIGHTY & 0/100 DOLLARS

TO THE ORDER OF

DATE 02/13/13

$ AMOUNT ****6080.00

BLAKE & BOONE ACCT. CORP.
P O BOX 187
LEWISBURG, W. VA. 24901

⑈011470⑈ ⑆051503174⑆0000000 26809⑈

>051804524< 20130219
City National Bank
6885 111

BLAKE & BOONE ACCT. CORP.
P O BOX 187
LEWISBURG, W. VA. 24901

CITY NATIONAL BANK
CHARLESTON, WV

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GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11470

DATE 2-13-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Blake & Boone Acctg. Corp.

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Payment on Work done on the Ethels Acres, Houfnagle & Meadow Brook Estates	$6080.00
18062	1-31-13		

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED:

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY [signature]
GENERAL MANAGER

BY [signature]
TREASURER

BLAKE & BOONE ACCOUNTING CORPORATION
US 219 North
P O Box 187
Lewisburg, WV 24901-0187

Phone: 304-497-3192
Fax: 304-497-3451

Invoice Number:
18667

Invoice Date:
7/16/13

Gbr Public Service Dist #1
9036 Seneca Trail South
Ronceverte, WV 24970

Client: 0290

For Professional Services Rendered In Connection With:

Completion of Version 4 of Rule 42 Exhibit and submission to IJDC	4,800.00
Prepare for and attend Project Meeting in Kanawha City	1,280.00
Preparation of SRF Financial Worksheets for submission to SRF	2,560.00

INVOICE TOTAL 8,640.00

GBR. PUBLIC SERVICE DISTRICT NO. 1 11912

Vendor ID: BLAKE

Name: BLAKE & BOONE ACCT. CORP.
Check Date: 06/30/13
Check Amount: 8,640.00

MEMO:
CLIENT #0290
INVOICE # 18667

PRODUCT SS.7111 USE WITH #1600 ENVELOPE PRINTED IN U.S.A.

June

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

CK. NO. 11912

DATE 6-30-13

REQUISITION FOR PAYMENT

THE FOLLOWING EXPENSES HAVE BEEN INCURRED ON THE BEHALF OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1.

PAYEE Blake & Boone

INVOICE NO.	DATE	PURPOSE OF OBLIGATION	AMOUNT
		Professional services - Version 4 Rule 42 & submitting to IDC Mtg material for Inpto Kanawha City SRF Financial Worksheets. Client 0290	$ 8640.00

IN CONNECTION THEREWITH WE HEREBY CERTIFY THAT THE ABOVE AMOUNTS ARE NOW DUE AND UNPAID AND THAT SUCH OBLIGATIONS HAVE BEEN PROPERTY INCURRED BY THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, DOCUMENTATION FOR EACH EXPENSE HAS BEEN FILED.

GREENBRIER PUBLIC SERVICE
DISTRICT NO. 1

BY _____
GENERAL MANAGER

BY _____
TREASURER

100399

JACKSON KELLY
ATTORNEYS AT LAW PLLC

500 LEE STREET EAST • SUITE 1600 • P.O. BOX 553 • CHARLESTON, WEST VIRGINIA 25322 • TELEPHONE: 304-340-1000 • TELECOPIER: 304-340-1130
www.jacksonkelly.com

INVOICE

EMPLOYER I.D. NO. 550394215

September 26, 2013

23262/301

Greenbrier Public Service District No. 1
9035 Seneca Trail South
Ronceverte, WV 24970
ATTN: Lisa D. Bennett, General Manager

Re: Greenbrier Public Service District No. 1 Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority)

For legal fees and expenses rendered serving as bond counsel for the above-referenced transaction.

FEES & EXPENSES: $7,500.00

TOTAL STATEMENT: $7,500.00

UNITED BANK
WEST VIRGINIA'S BANK

I N V O I C E

Date: September 26, 2013

To: Greenbrier Public Service District No. 1
9035 Seneca Trail South
Ronceverte, WV 24970
Attn: Dan, Withrow, Chairman

Re: Greenbrier Public Service District No. 1
Sewerage System Design Revenue Bonds
Series 2013 A
(West Virginia Water Development Authority)

Amount Due: $ 500.00

Acceptance Fee	$500.00
Total	$500.00

Please remit to United Bank
Corporate Trust Department
P. O. Box 393
Charleston, WV

SWEEP RESOLUTION 3.16

WHEREAS, the Greenbrier Public Service District No. 1 (the "Issuer") is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes monthly debt service payments on the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer thereby eliminating delay in payments and lost checks;

WHEREAS, PURSUANT TO Chapter 13, Article 3, Section 5a, the MBC has established fees for its services (the "MBC Fee");

WHEREAS, the Issuer find and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic transfer with the State Treasurer **sweeping** the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, along with the MBC Fee, shall be made to the MBC by electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.

2) Lisa Bennett and Dan Withrow, are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.

3) This resolution shall be effective immediately upon adoption.

Adopted this 18th day of October, 2013.

Dan Withrow
(Chairman)

(Member)

(Member)

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

RESOLUTION

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GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

RESOLUTION

A RESOLUTION AUTHORIZING THE CONSTRUCTION AND ACQUISITION OF CERTAIN SEWAGE FACILITIES OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, GREENBRIER COUNTY, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $3,900,000 IN PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1980, AND BOND ANTICIPATION NOTES; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS AND NOTES; AUTHORIZING THE SALE OF SUCH BONDS AND NOTES TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY PURSUANT TO THE TERMS OF A LOAN AGREEMENT BETWEEN THE DISTRICT AND SAID AUTHORITY AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE BOARD OF THE GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, GREENBRIER COUNTY, WEST VIRGINIA:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority of this Resolution. This Resolution (the "Bond Legislation") is adopted pursuant to the provisions of Article 13A of Chapter 16 of the Code of West Virginia 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. Greenbrier Public Service District No. 1 (the "Issuer") was established by order of The County Commission of Greenbrier County, West Virginia, dated March 17, 1967.

B. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be constructed certain sewer facilities (the "Project") of the Issuer, which along with the sewer facilities previously acquired and constructed by the Issuer, shall constitute public service properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the

"System") in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed in the office of the Issuer.

C. The estimated revenues to be derived in each year after the adoption 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 and all Sinking Fund, Reserve Account and other payments provided for herein.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the principal amount of not more than $3,900,000 to finance costs of the construction and acquisition of the Project. Said costs shall be deemed to include the cost of all property rights, easements and francises deemed necessary or convenient therefor and for the improvements and extensions thereto; interest upon the Bonds prior to and during construction or acquisition and for six months after completion of construction or of acquisition of the improvements and extensions; engineering, fiscal agents and legal expenses; expenses for estimates of cost and of revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, and such other expenses as may be necessary or incident to the financing herein authorized, and the construction or acquisition of the properties and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof.

E. The estimated maximum cost of construction of the Project is $11,184,969, of which $_____ will be obtained from the proceeds of sale of the Bond herein authorized, $7,109,550 will be provided by a grant by the United States Environmental Protection Agency, $700,000 will be provided by grants from West Virginia Water Development Authority (the "Authority") and $204,400 will be provided by connection fees.

F. It is in the best interests of the Issuer that its Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement to be entered into between the Issuer and the Authority (the form of which agreement is attached hereto as Exhibit A, which Exhibit, by this reference, is incorporated herein and made a part hereof) (the "Loan Agreement").

G. The Issuer now owns certain public service properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage, or industrial wastes, and the Project constitutes certain improvements and extensions thereto.

H. There are outstanding obligations of the Issuer which will rank on a parity with the Bonds and the Notes as to lien and source of and security for payment, as follows:

> The Sewer Revenue Bonds, Series A, of the Issuer dated May 1, 1972, issued in the aggregate principal amount of $670,000, the last maturity of which in May 1, 2012, bearing interest at the rate of 5 5/8% per annum (the "1972 Bonds"), sold to and held by United States Department of Housing and Urban Development ("HUD").
>
> HUD has consented to issuance of the Bonds and the Notes on a parity with the 1972 Bonds, and to the flow of funds herein provided. Such consent, in accordance with HUD policy, requires priority for the 1972 Bonds as to optional redemption prior to maturity and prepayment, and requires segregation of moneys in the Sinking Fund and the Reserve Account therein for the respective bond issues in order to preserve the identity of the 1972 Bonds.

I. Pending issuance of the Bonds, it is necessary for the Issuer to issue its bond anticipation notes (the "Notes") in the principal amount of $3,620,000 to provide interim financing for the Project, in accordance with the Loan Agreement.

J. 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 and the Notes, or will have so complied prior to issuance of any thereof, including, among other things, the consent and approval, pursuant to the Act, of the issuance of the Bonds by the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired. The Issuer is not required by the Loan Agreement to have approval of increased sewer rates prior to issuance of the Notes, but shall have obtained approval of necessary sewer rates prior to issuance of the Bonds.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Bonds by those who shall hold 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 legal holders of any and all of such Bonds and the coupons attached thereto, all which shall be of equal rank and

without preference, priority or distinction between any one Bond and the coupons appertaining thereto and any other Bonds and the coupons appertaining thereto 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" shall mean Article 13A of Chapter 16 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" shall mean the West Virginia Water Development Authority, which shall be the original purchaser of the Bonds or any other Agency of the State of West Virginia that succeeds to the functions of the Authority.

"Board" shall mean the Public Service Board of the Issuer which is the governing body of the Issuer pursuant to the Act.

"Bonds" shall mean not in excess of the $3,900,000 Sewer Revenue Bonds, Series 1980, originally authorized to be issued pursuant hereto, and any additional parity bonds hereafter issued within the terms, restrictions and conditions contained herein, and the interest coupons appertaining to said Bonds; and shall also mean until issuance of the Bonds, the Notes with reference to the provisions of Articles IV, V, VI and VII hereof except as expressly provided otherwise in Article III A hereof.

"1972 Bonds" shall have the meaning set forth in Section 1.02 H.

"Bondholder" or "Holder of the Bonds" or any similar term shall mean any person who shall be the bearer or owner of any outstanding Bond or Bonds or 1972 Bonds registered to bearer or not registered, or the registered owner of any outstanding Bond or Bonds or 1972 Bonds which shall at the time be registered other than to the bearer or of any coupons representing interest accrued or to accrue on the Bonds or the 1972 Bonds; and shall also mean, until issuance of the Bonds, the holder or owner of the Notes.

"Bond Legislation" shall mean this Resolution and all resolutions supplemental hereto or amendatory hereof.

"Chairman" shall mean the Chairman of the Board.

"Commission" shall mean 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" shall mean Weston, consulting engineers, West Chester, Pennsylvania, or any engineer or firm of engineers that shall at any time hereafter be retained by the Issuer as Consulting Engineers for the System.

"Cost of Works" shall mean those costs described in Section 1.02(D) hereof to be a part of the cost of construction and acquisition of the Project.

"Fiscal Year" shall mean each twelve-month period beginning on July 1 and ending on the succeeding June 30.

"Gross Revenues" shall mean all rates, rents, fees, charges or other income (including, without limitation, sale proceeds) received by or accrued to the District from the operation of the System, as calculated in accordance with generally accepted accounting practices.

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

"Independent Certified Public Accountants" shall mean Arnett and Foster, certified public accountants, Charleston, West Virginia, or any other 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" shall mean the Greenbrier Public Service District No. 1, Greenbrier County, West Virginia, and where appropriate the Board thereof.

"Loan Agreement" shall mean the Loan Agreement between the Authority and the Issuer providing as to purchase of the Bonds and the Notes from the Issuer by the Authority.

"Notes" shall mean the Sewerage System Bond Anticipation Notes, Series 1980, of the Issuer authorized hereby in the principal amount of $3,620,000.

"Operating Expenses," unless qualified, shall mean the current expenses, paid or accrued, of repair, operation and maintenance of the System and includes, without limiting the generality of the foregoing, insurance premiums, supplies, labor, wages, the cost of materials and supplies used for current operations, administrative expenses of the Board relating and chargeable to the System and such other reasonable operating costs

and expenses as should normally and regularly be included under generally accepted accounting practices.

"Project" shall mean the sewer facilities described in Exhibit B attached hereto.

"1972 Resolution" means the resolution of the Issuer authorizing the 1972 Bonds, adopted October 7, 1975.

"Secretary" shall mean the Secretary of the Board.

"Supplemental Resolution" shall mean any resolution which is amendatory hereof or supplemental hereto.

"System" shall mean the complete public service properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, in its entirety or any integral part thereof, and shall include any additions, betterments and improvements thereto hereafter constructed or acquired for said system from any sources whatsoever.

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

Section 1.05. Exhibits. Exhibits attached hereto as parts hereof are as follows:

Exhibit A - Loan Agreement
Exhibit B - Project

ARTICLE II

AUTHORIZATION OF CONSTRUCTION AND ACQUISITION OF THE PROJECT

Section 2.01. Authorization of Construction and Acquisition. There is hereby authorized the construction and acquisition of the Project, plans and specifications for which have been prepared by the Consulting Engineers, and heretofore filed in the office of the Board. The proceeds of the Bonds hereby authorized shall be applied as provided in Article V hereof.

ARTICLE III

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

Section 3.01. Authorization and Terms of Bonds. For the purpose of financing the cost of construction and acquisition of the Project, there shall be issued negotiable Sewer Revenue Bonds, Series 1980, of the Issuer, in the aggregate principal amount of not in excess of $3,900,000. Said Bonds shall be designated "Sewer Revenue Bonds, Series 1980"; and shall bear interest at such rate or rates, not exceeding the maximum rate authorized by the Act, and shall mature as the Issuer shall prescribe in the Supplemental Resolution. Interest on the Bonds shall be payable semiannually and shall commence as prescribed in the Supplemental Resolution. The Bonds shall be payable as to both principal and interest at the office of the Commission or through a paying agent or agents selected by the original purchaser or purchasers thereof, in any coin or currency that is legal tender for the payment of public or private debts under the laws of the United States of America, and shall be redeemable, in whole or in part, as set forth in the Supplemental Resolution.

The Bonds shall be issued in the form of coupon Bonds, registrable as to principal only, or in the form of one fully registered Bond with payment record attached (the "Registered Bond").

Coupon Bonds shall be in the denomination of $5,000 each and shall be dated as of the date which is six months preceeding the first interest payment date of the Bonds. Coupon Bonds shall bear interest from their date, payable in accordance with, and upon surrender of, the appurtenant interest coupons as they severally mature. The Registered Bond shall be dated as of the date of its delivery to the original purchaser thereof and shall bear interest from such date.

Except as otherwise provided in Section 3.04, before the delivery of any coupon Bonds, all matured coupons thereto attached, except matured coupons for which payment in full has not been provided, shall be cut off, cancelled and destroyed; provided, however, that if coupon Bonds are issued in exchange for the Registered Bond upon which interest is in default, as shown by the records of the Treasurer of the State, such coupon Bonds shall have attached thereto all coupons maturing after the date to which interest has been paid in full, as shown by such records, and in case any interest installments shall have been paid in part, appropriate notation shall be made on the coupons to evidence such fact.

Section 3.02. Execution of Bonds and Coupons. Said Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or a facsimile of the seal shall be 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.

The coupons to be attached to the Bonds shall be authenticated with the facsimile signature of the present or future Chairman and Secretary of the Issuer.

Section 3.03. Negotiability, Transfer and Registration. 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 or the coupons appertaining thereto, 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 in the manner provided hereinafter in the form of said Bonds.

So long as any of the Bonds remain outstanding, the Treasurer of the State of West Virginia shall keep and maintain books for the registration and transfer of the Bonds. Coupon Bonds may be registered at the option of the Holder as to principal only at the office of the Treasurer of the State of West Virginia, such registration to be noted on the back of said Bonds in the space provided therefor. After such registration as to principal only, no transfer of the Bonds shall be valid unless made at said office by the registered owner, or by his duly authorized agent or representative, and similarly noted on the Bonds, but the Bonds may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored. At the option of the Holder the Bonds may thereafter again from time to time be registered or transferred as before. Such registration as to principal only shall not affect the negotiability of the coupons, which shall continue to pass by delivery.

The Registered Bond shall be transferable only upon the books of the Issuer, which shall be kept for the purpose at the office of the aforesaid Treasurer, 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 Treasurer of the State duly executed by the registered owner or his duly authorized attorney. Upon transfer of the Registered Bond, there shall be issued in the name of the transferee, coupon Bonds, with appropriate coupons attached, of the same aggregate principal amount equal to the unpaid principal amount of the Registered Bond, and having maturities corresponding to the principal installments of such Registered Bond then unpaid.

In all cases in which the privilege of exchanging Bonds or transferring the Registered Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds and coupons surrendered in any such exchanges or transfers shall forthwith be cancelled by the Treasurer. For every such exchange or transfer of Bonds, the Treasurer 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 coupon Bond upon each exchange or transfer, and any other expenses of the said Treasurer incurred in connection therewith, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer; provided, however, that in the event the Authority is the Bondholder requesting such exchange or transfer, the Issuer shall pay all such taxes, fees, governmental charges or other expenses incurred in making such exchange or transfer. The Treasurer shall not be obliged to make any such exchange or transfer of Bonds during the ten (10) days preceeding 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 3.04. Bonds Mutilated, Destroyed, Stolen, or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new Bond with all unmatured coupons, if any, so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond, and attached coupons, if any, or in lieu of and substitution for the Bond and coupons, if any, destroyed, stolen or lost and upon the Holder's furnishing the Issuer proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. All Bonds and coupons so surrendered shall be cancelled by the Secretary and held for the

account of the Issuer. If such Bond or coupons shall have matured or be about to mature, instead of issuing a substitute Bond or coupon, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond or coupons be lost, stolen, or destroyed, without surrender therefor.

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

Section 3.05. Form of Bonds and Coupons. The text of the Bonds, and of the coupons, shall be of substantially the following tenor, 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 Coupon Bonds)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
COUNTY OF GREENBRIER
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWER REVENUE BOND, SERIES 1980

NO. _____ $5,000

KNOW ALL MEN BY THESE PRESENTS: That GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, a public corporation, organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay solely from the special funds provided therefor, as hereinafter set forth, to the bearer or, if this Bond be registered as to principal to the registered holder thereof, on the first day of _____, 19___, the sum of Five Thousand Dollars ($5,000) and solely from such special funds also to pay interest on said sum from the date hereof at the rate of _____ per centum (_____%) per annum semiannually, on the first day of _____ and the first day of _____ in each year beginning _____ 1, 19___, all such interest as may accrue on and prior to the maturity date hereof to be payable only upon presentation and surrender of the annexed coupons as they severally become due, both principal of, and interest on, this Bond being payable in any coin or currency which, on the respective dates of payment of principal and interest, 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, or at the option of the holder at the _____.

This Bond is subject to redemption prior to its stated date of maturity in whole or in part in inverse order of maturities (by lot if less than all the Bonds of the same maturity) only on or after the date on which all outstanding bonds issued by West Virginia Water Development Authority (the "Authority") to provide funds for the purchase of the Bonds of the issue of which this Bond is one are redeemable and at a price equal to the aggregate of (i) the corresponding principal amount of the bonds of the Authority to be redeemed by the Authority as a consequence of the redemption by the Issuer of all or a part of its Bonds outstanding (ii) the interest to accrue on the bonds of the Authority so to be redeemed to the next redemption date thereof and not previously paid, (iii) the applicable premium, if any, payable on the bonds of the Authority so to be redeemed, (iv) the applicable premium, if any,

payable on additional bonds of the Authority which also become redeemable by virtue of such redemption, (v) the costs and expenses of the Authority in effecting redemption of the bonds of the Authority so to be redeemed, and (vi) at the direction of the Authority, an amount equal to the proportionate amount of the additional bonds of the Authority so to be redeemed, if any, less other moneys of the Authority available therefor; provided, however, that in the event that the bonds of the Authority have been refunded and the refunding bonds were issued by the Authority in a principal amount in excess of or less than such bonds remaining unpaid at the date of issuance of such refunding bonds, the Issuer shall be obligated to pay under item (i) above the principal amount of such refunding bonds outstanding, and, in the event the interest the Authority is required to pay on said refunding bonds is less than the Authority was required to pay on its bonds, the Issuer shall be obligated to pay under item (ii) above the amount of interest to accrue on such outstanding refunding bonds of the Authority.

This Bond is one of an authorized issue of Bonds (the "Bonds") in the aggregate principal amount of $_____, of like date and of like tenor and effect, except as to principal amount, number, date of maturity, and interest rate, issued to finance the cost of construction and acquisition of certain improvements and extensions to the existing public service facilities for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes in the territory served by the Issuer (the "System") of the Issuer under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 13A of Chapter 16 of the West Virginia Code of 1931, as amended (the "Act"), a Resolution duly adopted by the Public Service Board of the Issuer on the _____ day of _____, 19___, and a Supplemental Resolution adopted by said Board on the _____ day of _____, 19____ (collectively called the "Bond Legislation"), and is subject to all the terms and conditions of the Bond Legislation. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

The Bonds are on a parity with the Sewer Revenue Bonds, Series A, of the Issuer dated May 1, 1972, now outstanding as to source of and security for payment and in all other respects, except that the moneys in the Sinking Fund for payment of debt service and in the Reserve Accounts in the Sinking Fund are segregated respectively for the Bonds and said Sewer Reserve Bonds, Series A, and except that such Series A Bonds shall have priority for redemption prior to maturity and for prepayment.

The Bonds are payable only from and secured by a pledge of the net revenues to be derived from the operation of the System, which 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. The Bonds are additionally secured by a statutory mortgage lien pursuant to the Act. 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 thereon except from said special fund provided from the net revenues from the operation of the System. By the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates of charges for the use of the System and the services rendered thereby, which shall be sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 130% of the amount required to pay the maximum amount due in any ensuing year of principal of and interest on all obligations payable from such revenues. The Issuer has entered into certain further covenants with the holders of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the holders of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

This Bond is fully negotiable but may be registered as to principal only in the name of the holder on the books in the office of the Treasurer of the State of West Virginia, at Charleston, West Virginia, such registration to be evidenced by notation on the back hereof by the Treasurer, after which no transfer shall be valid unless made on said books and similarly noted hereon, but it may be discharged from such registration by being transferred to bearer, after which it shall be transferable by delivery, but it may be registered again as before. The registration of this Bond as to principal shall not restrain the negotiability of the coupons by delivery merely.

This Bond shall be exempt from all taxation by the State of West Virginia and the other taxing bodies of said State.

All money received from the sale of this Bond or other Bonds of the issue of which this Bond is one, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the payment of the cost of the Project described in the Bond Legislation, including payment of the Notes authorized and issued pursuant to the Bond Legislation and any other indebtedness incurred by the Issuer for such purposes which is required to be paid from the moneys received from the sale of such Bonds, or to the appurtenant sinking fund, and there shall

be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder or holders of said Bonds.

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

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, Greenbrier Public Service District No. 1 has caused this Bond to be signed by the Chairman of said Board, and its corporate seal to be hereunto affixed and attested by its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman and Secretary, which officials by the execution of this Bond do adopt as their own proper signatures their facsimile signatures appearing on said coupons, and this Bond, all as of the first day of _____, 19___.

_____
Chairman

[SEAL]

ATTEST:

_____
Secretary

(Form of Coupon)

NO. _____ $_____

On the first day of _____, 19___, Greenbrier Public Service District No. 1, Greenbrier County, West Virginia, will pay to bearer upon presentation of and surrender of this coupon the sum shown hereon, out of the special fund provided therefor, at the office of the West Virginia Municipal Bond Commission or at the _____, at the option of the holder hereof, said payment to be made in any coin or currency which on said date of payment is legal tender for the payment of public and private debts under the laws of the United State of America,. as provided in, and for interest then due on, the Sewer Revenue Bond, Series 1980, dated _____ 1, 19___, to which this coupon is attached.

_____
Chairman

_____
Secretary

(No writing on this Bond except by the Treasurer of the State of West Virginia as Registrar)

Date of Registration	In Whose Name Registered	Signature of Registrar
_____	_____	_____
_____	_____	_____

[Form of Fully Registered Bond With Payment Record]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
COUNTY OF GREENBRIER
GREENBRIER PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 1980

NO. R-1 $_____

KNOW ALL MEN BY THESE PRESENTS: That GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, a public corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to _____, (the "Payee") or registered assigns (the "Alternate Payee"), the sum of $_____, in installments on _____ 1 of each year as set forth below, with interest on each installment at the rate per annum set forth below opposite the year in which the installment becomes due:

Year	Installment	Interest Rate

The interest rate on each installment shall run from the original date of delivery of this Bond to the Payee and payment therefor and until payment of such installment, and such interest shall be payable on the first day of _____, and the first day of _____ in each year beginning _____ 1, 19___. Both principal of and interest on this Bond are payable in any coin or currency which, on the respective dates of payment of principal and interest, 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, or at the option of the Payee at the _____.

This Bond is subject to redemption prior to its stated date of maturity in whole or in part in inverse order of maturities only on or after the date on which all outstanding bonds issued by the West Virginia Water Development Authority (the "Authority") to

provide funds for the purchase of this Bond are redeemable and at a price equal to the aggregate of (i) the corresponding principal amount of the bonds of the Authority to be redeemed by the Authority as a consequence of the redemption by the Issuer of all or a part of its Bond outstanding, (ii) the interest to accrue on the bonds of the Authority so to be redeemed to the next redemption date thereof and not previously paid, (iii) the applicable premium, if any, payable on the bonds of the Authority so to be redeemed, (iv) the applicable premium, if any, payable on additional bonds of the Authority which also become redeemable by virtue of such redemption, (v) the costs and expenses of the Authority in effecting redemption of the bonds of the Authority so to be redeemed, and (vi) at the direction of the Authority, an amount equal to the proportionate amount of the additional bonds of the Authority so to be redeemed, if any, less other moneys of the Authority available therefor; provided, however, that in the event the bonds of the Authority have been refunded and the refunding bonds were issued by the Authority in a principal amount in excess of or less than such bonds remaining unpaid at the date of issuance of such refunding bonds, the Issuer shall be obligated to pay under item (i) above the principal amount of such refunding bonds outstanding, and, in the event the interest the Authority is required to pay on said refunding bonds is less than the Authority was required to pay on the bonds of the Authority, the Issuer shall be obligated to pay under item (ii) above the amount of interest to accrue on such outstanding bonds of the Authority.

This Bond is issued to finance the cost of construction and acquisition of certain improvements and extensions to the existing public service facilities for the collection, treatment, purification or disposal of liquid or solid wastes in the territory served by the Issuer (the "System") of the Issuer under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 13A of Chapter 16 of the West Virginia Code of 1931, as amended (the "Act"), a Resolution duly adopted by the Public Service Board of the Issuer on the ____ day of _____, 19___, and a Supplemental Resolution adopted by said Board on the _____ day of _____, 19____ (collectively called the ""Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is on a parity with the Sewer Revenue Bonds, Series A, of the Issuer dated May 1, 1972, now outstanding as to source of and security for payment and in all other respects, except

that the moneys in the Sinking Fund for payment of debt service and in the Reserve Accounts in the Sinking Fund are segregated respectively for the Bonds and said Sewer Revenue Bonds, Series A, and except that such Series A Bonds shall have priority for redemption prior to maturity and for prepayment.

This Bond is payable only from and secured by a pledge of the net revenues to be derived from the operation of the System, which 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 is additionally secured by a statutory mortgage lien pursuant to the Act. 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 thereon except from said special fund provided, and 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 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 130% of the amount required to pay the maximum amount due in any ensuing year of principal of and interest on all obligations payable from such revenues. The Issuer has entered into certain further covenants with the holders of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the holders of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of the Issuer kept for that purpose at the office of the Treasurer of the State of West Virginia, by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Treasurer of the State of West Virginia, duly executed by the Payee or its attorney duly authorized in writing. This Bond may be exchanged for an aggregate principal amount of coupon Bonds equal to the unpaid principal amount of this Bond, and having maturities corresponding with the principal installments of this Bond then unpaid.

This Bond shall be exempt from all taxation by the State of West Virginia and the other taxing bodies of said State.

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 cost of the Project described in the Bond Legislation, including payment of the Notes authorized and issued pursuant to the Bond Legislation and any other indebtedness incurred by the Issuer for such purposes which is required to be paid from the moneys received from the sale of this Bond, or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder 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, Greenbrier Public Service District No. 1 has caused this Bond to be signed by the Chairman of said Board and its corporate seal to be hereunto affixed and attested by its Secretary, all as of the _____ day of _____, 19___.

_____
Chairman

[SEAL]

ATTEST:

_____
Secretary

[Form of Payment Record]

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due After Payment	Interest Payment (%)	Date Paid	Name of Paying Agent Authorized Officer And Title
	$	$	$		

SCHEDULE "A"

Principal installments on which payments have been made prior to maturity

Principal Due Date	Principal Due Amount	Principal Payment	Balance	Date Paid	Name of Paying Agent Authorized Officer and Title
	$	$	$		

[Form of Assignment]

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

the within Bond of Greenbrier Public Service District No. 1, and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books of the said Public Service District with full power of substitution in the premises.

Dated:

_____

In the presence of:

_____

Section 3.06. Sale of Notes and Bonds; Execution of Loan Agreement with Authority. The Notes and the Bonds shall be sold to the West Virginia Water Development Authority, Charleston, West Virginia, pursuant to the terms and conditions of the Loan Agreement to be entered into between the Issuer and the Authority, all the provisions of which are hereby ratified and confirmed herein and made a part hereof. The Chairman is specifically authorized and directed to execute the Loan Agreement in substantially the form of Exhibit A and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority.

ARTICLE IIIA

BOND ANTICIPATION NOTES

Section 3.01 A. Authorization and General. In order to pay certain costs of the construction of the Project pending the delivery of the Bonds to the Authority, bond anticipation notes ("Notes") of the Issuer shall be issued and sold in the amount of $3,620,000. The entire issue of Notes shall be represented by one Note.

The Note shall be designated "Sewerage System Bond Anticipation Note, Series 1980," shall bear such date, shall be numbered NR-1, and shall be in the denomination of $3,620,000, shall

be in fully registered single form, shall bear interest from date at the rate of 8% per annum, payable on such dates, shall mature, shall have such paying agents and shall have such other provisions as are not set forth herein as provided in supplemental Note Legislation to be adopted by the Governing Body prior to delivery of the Notes. The Note No. NR-1 shall contain substantially the provisions shown in the form set forth in Section 3.12 A below.

The Notes shall be executed for the Issuer by the Chairman, and the seal of the Issuer shall be impressed thereon and attested by the signature of the Secretary.

The Notes shall be sold pursuant to the Loan Agreement and to such supplemental Note Legislation.

The Notes shall be payable on demand of the Authority upon at least fourteen days written notice to the Issuer.

The Notes shall be renewed at the option of the Authority for a period not to exceed 1 year at lawful interest rates to be established by the Authority.

Section 3.02 A. Deposit of Note Proceeds. The amount received upon the sale of the Notes, less interest to become due until the maturity thereof, shall be deposited on receipt by or for the Issuer with a bank which is a member of the Federal Deposit Insurance Corporation ("FDIC"), in the Project Construction Account established hereby.

The balance received from the proceeds from the sale of the Notes shall be for payment of the interest on the Notes as such interest becomes due, and shall be directly deposited on receipt by or for the Issuer with the Commission in the Sinking Fund - 1980 Bond Account hereby established.

Section 3.03 A. Security for the Notes. The Notes shall be secured by the pledge by the Issuer of and by a first lien on (i) the proceeds of the sale of the Bonds issued to refund the Notes; (ii) all moneys and securities in the Sinking Fund - 1980 Bond Account, (iii) the proceeds from the sale of the Notes until expended as herein authorized, and (iv) the Net Revenues of the System until payment of the Notes, but on a parity with the 1972 Bonds, and said pledge by the Issuer for the benefit of the holders of the Notes, to the extent of the aggregate principal amount of the Notes and the interest thereon, is hereby made and granted. The Issuer will execute such documents as may be required, if any, to perfect such pledge and lien. The Notes shall also be secured by a statutory mortgage lien on the System as provided in the Act, on a parity with the 1972 Bonds.

Section 3.04 A. Payment of Notes. At the maturity, or call prior to maturity, of the Notes, as provided in Section 3.01 A hereof, the Bonds originally issued pursuant hereto shall be used to defease the Notes and pay issuing expenses required by the Authority. The Issuer hereby assigns its right to receive funds as proceeds of said Bonds to the Authority, and there shall be no transfer of funds by the Authority to the Issuer as payment for said Bonds, except to the extent Bonds are issued in a principal amount in excess of the amount required to refund the Notes and pay costs of issuance of the Bonds and related costs.

Section 3.05 A. Notes Are Limited Obligations. The Notes shall be limited obligations of the Issuer, the interest of which is payable solely from certain of the proceeds from the sale of the Notes, the principal of which is payable from the sources described in Section 3.03 A above.

Section 3.06 A. Paying Agent. The Issuer with approval of the Authority may appoint as Paying Agent any bank, trust company or national banking association, but the Commission shall be the only Paying Agent unless the Issuer designates additional Paying Agents.

Section 3.07 A. Covenants. The Issuer agrees that until payment in full of the principal and interest owing on the Notes when due, the covenants contained in this Resolution for the benefit of the Bondholders shall inure to the benefit of the holders of the Notes.

In addition, the Issuer covenants to issue and sell the Bonds to the Authority and to take all actions necessary to cause the Authority to purchase the Bonds to refund the Notes in accordance with the Loan Agreement.

Section 3.08 A. Events of Default and Enforcement. Each of the following events is hereby declared an "Event of Default": (a) failure to make timely payment of all principal and interest owing on the Notes at due date or maturity; and (b) failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the Issuer for the benefit of the holders of the Notes and the Bonds as herein provided.

On the happening of any Event of Default, then, and in each such case, the holders of the Notes or any one or more of such holders shall be entitled to proceed against all assets pledged for payment of the Notes, and shall have and are hereby given all further rights and remedies as are granted hereby to the Authority. Each holder of a Note shall be deemed to be a holder of a Bond upon such default.

Section 3.09 A. Supplemental Note Legislation. Following adoption hereof, and upon receipt of the Loan Agreement, the Issuer, if it be so advised, will adopt supplemental Note Legislation, which supplemental Note Legislation will provide, among other things, the interest payment dates, the maturity date and the sale price of the Notes and such other matters as shall be required or desired in connection with issuance of the Notes.

Section 3.10 A. Form of Notes. The Notes shall be in the following form, subject to such changes, insertions and deletions as the Chairman shall agree to by execution thereof:

(Form of Bond Anticipation Note)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWERAGE SYSTEM BOND ANTICIPATION NOTE
SERIES 1980

No. NR-1 $3,620,000

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, a public service district in Greenbrier County of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay to the order of West Virginia Water Development Authority the sum of THREE MILLION SIX HUNDRED-TWENTY THOUSAND DOLLARS ($3,620,000), subject to prior demand as provided in the below mentioned Resolution, on June 1, 1981, with interest at the rate of eight per cent (8%) per year payable on _____ 1, 19___, and _____ 1, 19___. Both principal and interest are payable in lawful money of the United States of America at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia.

This Note represents the entire issue of Series 1980 Notes in the aggregate principal amount of $3,620,000 duly authorized by the Issuer and issued in anticipation of the issuance of the Sewer Revenue Bond, Series 1980 (the "Bond"), of the Issuer in the principal sum of not to exceed $3,900,000 for aiding in the construction of additions, extensions and improvements for the existing public sewerage system (the "System") of the Issuer.

West Virginia Water Development Authority ("WDA") has agreed to purchase the Bond on the due date of this Note unless called prior to maturity or unless this Note has been renewed as provided below. The Bond has been authorized by the Issuer pursuant to a Resolution of the Public Service Board of the Issuer.

This Note is subject to renewal and to call prior to maturity upon the terms and conditions provided in the Resolution mentioned below.

The principal of this Note is payable solely and only from the proceeds of sale of the Bond and, if WDA should not purchase the Bond, the principal of and interest on this Note is payable from the net revenues of the System defined in the Resolution mentioned below on a parity with the below-mentioned Series A Bonds. The proceeds of sale of the Bond have been pledged to the owner hereof to secure payment of the principal of this Note. The Note is additionally secured by a statutory mortgage lien pursuant to the Act on a parity with the Series A Bonds.

Moneys from the proceeds of sale of the Note to pay the interest on the Note to maturity have been deposited with the West Virginia Municipal Bond Commission.

This Note is on a parity in all respects as to the said net revenues with the Sewer Revenue Bonds, Series A, of the Issuer dated May 1, 1972, except that the Series A Bonds shall have priority for redemption prior to maturity and for optional prepayment.

This Note is a limited and special obligation of the Issuer, and does not and shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory limitations or provisions, and the Issuer shall not be obligated to pay this Note or the interest hereon except from the proceeds of the Note and the Bond and any other sources which may be provided by the Resolution referred to below.

This Note has been duly authorized by a Resolution and a Supplemental Resolution of the Issuer pursuant to West Virginia Code, Chapter 16, Article 13A (the "Act").

The Act provides that this Note is exempt as to principal and interest from taxation by the State of West Virginia and the other taxing bodies of said State.

Reference is made to the said Resolution and Supplemental Resolution for further description of the security for payment hereof, the rights of the owner hereof and the rights and obligations of the Issuer.

Every requirement of law relating to the issuance hereof has been duly complied with.

IN WITNESS WHEREOF, GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 has caused this Note to be signed by the Chairman of its Public Service Board and has caused its seal to be hereto affixed

and attested by the Secretary of said Public Service Board, all as of the date below written.

Dated: _____

GREENBRIER PUBLIC SERVICE DISTRICT NO.1

[SEAL]

By_____
Chairman

ATTEST:

_____
Secretary

[Form of Payment Record]

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due After Payment	Interest Payment (%)	Date Paid	Name of Paying Agent Authorized Officer And Title
	$	$	$		

SCHEDULE "A"

Principal installments on which payments have been made prior to maturity

Principal Due Date	Principal Due Amount	Principal Payment	Balance	Date Paid	Name of Paying Agent Authorized Officer and Title
	$	$	$		

[Form of Assignment]

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

the within Note of Greenbrier Public Service District No. 1, and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Note on the books of the said Public Service District with full power of substitution in the premises.

Dated:

_____

In the presence of:

_____

ARTICLE IV

SYSTEM REVENUES AND APPLICATION THEREOF

Section 4.01. System Revenues and Application Thereof. So long as any of the Bonds shall be outstanding and unpaid, the Issuer covenants with the Holders of the Bonds as follows:

A. Establishment of System Revenue Fund and Disposition of System Revenues. The entire gross revenues derived from the operation of the System and all parts thereof shall be deposited by the Issuer in a special fund in a bank in the State of West Virginia which is eligible under the laws of West Virginia to receive deposits of state and municipal funds, which fund (herein called the "Revenue Fund") is hereby established. The Revenue Fund shall constitute a trust fund for the purposes provided herein and shall be kept separate and distinct from all other funds of the Issuer and used only for the purposes and in the manner herein provided. All revenues at any time remaining on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first each month, from the moneys in the Revenue Fund, pay all reasonable operating expenses of the System.

(2) Thereafter, from the moneys in the Revenue Fund, the Issuer shall, on the first day of each month, commencing with and including the month of July 1, 1981, apportion and set apart out of the Revenue Fund and remit to the Commission, for deposit in a fund to be known as the "Sinking Fund," which is hereby created and established in two accounts, one designated "1972 Bond Account" and one designated "1980 Bond Account", a sum equal to one-sixth (1/6) of the amount of interest which will become due on the 1972 Bonds on the next interest payment date, for deposit in the 1972 Bond Account and a sum equal to one-sixth (1/6) of the amount of interest which will become due on the Bonds on the next interest payment date, for deposit in the 1980 Bond Account; provided, however, that in the event that the period to elapse between said initial payment date and the next semiannual interest payment date for the Bonds is less than six (6) months, then such monthly payments shall be increased proportionately to provide the required amount of interest maturing on the next semiannual interest payment date.

The Issuer shall also, from the Revenue Fund, remit to the Commission, on such dates or at such other times as the Commission shall require, such additional sums as shall be necessary to pay the fiscal agency charges due for paying the Bonds and the 1972 Bonds and the interest thereon.

The Issuer shall also apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in said Sinking Fund, as below provided, on the first day of each month, beginning on the first day of that month which is twelve (12) months prior to the next principal payment date of the 1972 Bonds and the first principal payment date of the Bonds, a sum equal to one-twelfth (1/12) of the amount of principal which will mature and become due on the 1972 Bonds on the next ensuing principal payment date, to be deposited in the 1972 Bond Account, and a sum equal to one-twelfth (1/12) of the amount of principal which will mature and become due on the Bonds on the next ensuing principal payment date, to be deposited in the 1980 Bond Account.

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

Moneys in the Sinking Fund in the 1972 Bond Account and the 1980 Bond Account shall be used respectively only for the purposes of paying principal of and interest on the 1972 Bonds and the Bonds as the same shall become due.

The Issuer shall next, from the Revenue Fund, remit to the Commission for deposit respectively in the 1972 Reserve Account and the 1980 Reserve Account hereby established in said Sinking Fund, on the first day of each month of each year, beginning with and including the month in which payments from the Revenue Fund for semiannual interest are commenced, as to the Bonds, and, as to the 1972 Bonds, each month with break in payments previously made under the 1972 Resolution, amounts equal to twenty per centum (20%) of all amounts required to be deposited for maturing principal and interest into the 1972 Bond Account and the 1980 Bond Account in the Sinking Fund, as provided above, on said dates: Provided, however, that no further payments shall be made into the Reserve Accounts when there shall have been deposited into each, and as long as there shall remain on deposit in each, an amount equal to the maximum amount of principal and interest that will mature and become due respectively on the 1972 Bonds and the Bonds in any succeeding fiscal year.

Moneys in the Reserve Accounts shall be used respectively only for the purpose of payment of maturing principal of or interest on the 1972 Bonds and the Bonds when other moneys respectively in the 1972 Bond Account and the 1980 Bond Account in the Sinking Fund are insufficient therefor and for no other purpose.

Any withdrawals from the Reserve Accounts shall be subsequently restored from the first revenues available after all required payments to the Sinking Fund and Reserve Accounts, including any deficiencies for prior payments, have been made in full, such restoration of withdrawals to be made pro rata into the 1972 Reserve Account and the 1980 Reserve Account, based upon the original amounts of the 1972 Bonds and Bonds issued.

The Issuer shall not be required to make any further payments into said Sinking Fund or into the Reserve Accounts when the aggregate amount of funds in both said Sinking Fund and said Reserve Accounts are at least equal to the aggregate principal amount of the Bonds and the 1972 Bonds then outstanding, plus the amount of interest due or thereafter to become due on the Bonds and the 1972 Bonds then outstanding.

As and when additional bonds ranking on a parity with the Bonds herein authorized are issued, provision shall be made for additional payments into said 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 calendar year for account of all the Bonds and the 1972 Bonds, including such additional bonds which by their terms are payable from said Sinking Fund.

The 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 payments shall be made on the next succeeding business day, and all such payments shall be remitted to the Commission with appropriate instructions as to the Account in which to be deposited and the custody, use and application thereof consistent with the provisions hereof.

Moneys in the 1972 Bond Account and the 1980 Bond Account in the Sinking Fund shall be used, respectively, solely and only and are hereby pledged for the purpose of servicing the 1972 Bonds and the Bonds.

Moneys in the Bond Fund under the 1972 Resolution shall, upon delivery of the Bonds, be transferred by the Commission from said Bond Fund to the 1972 Bond Account in the Sinking Fund and at the same time moneys in the Debt Service Reserve and the Redemption Fund under the 1972 Resolution shall be transferred by the Commission to the 1972 Reserve Account. Upon such transfers, the Bond Fund, the Debt Service Reserve and the Redemption Fund shall be terminated.

(3) Thereafter, from the moneys remaining in said Revenue Fund, the Issuer shall next, on the first day of each month, commencing with the first month in which interest shall be first payable from the Revenue Fund, remit to a bank which is eligible under the laws of West Virginia to receive deposits of public funds for deposit in a special account to be designated "Renewal and Replacement Fund," which account is hereby established and created, a sum equal to two and one-half per centum of the gross revenues each month, exclusive of any payments for account of the Reserve Accounts. All funds in said Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer, and all or any part of said Fund may be invested in bonds or other direct or fully guaranteed obligations of the United States of America maturing or being subject to retirement at the option of the holder within not more than ten (10) years from the date of such investment. Withdrawals and disbursements may be made from said Renewal and Replacement Fund for replacements, emergency repairs, additions, betterments or improvements to the System; provided, however, that any deficiency in the 1972 and 1980 Reserve Accounts (except to the extent such deficiency exists because the required payments into the Reserve Accounts have not as of the date of determination of a deficiency not funded such Reserve Accounts to the maximum extent required by Section 4.01(A)(2)), shall be promptly eliminated with moneys from the Renewal and Replacement Fund, pro rata based upon the original amounts of 1972 Bonds and Bonds issued, in amounts sufficient to eliminate such deficiency.

Moneys in the General Reserve under the 1972 Resolution, upon delivery of the Bonds, shall be transferred by the Issuer to the Renewal and Replacement Fund, and the General Reserve shall thereupon be terminated.

(4) Whenever all of the required and provided transfers and payments from said 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 for operating expenses and into the Sinking Fund and the Renewal and Replacement Fund during the next succeeding three (3) months, such excess shall be considered as surplus revenues. Said surplus revenues shall be first used for the construction and acquisition of improvements and extensions to the System, and, thereafter, to the extent not needed for such purposes, said surplus revenues and any surplus moneys in the Sinking Fund, exclusive of the Reserve Accounts, in excess of the amount of interest to become due on the next interest payment date and the amount of principal to become due within the next succeeding twelve (12) months, may be used to purchase or prepay Bonds or 1972 Bonds, with priority for the 1972 Bonds as to such prepayment, any such purchase upon the open market to be at a price not exceeding the par value thereof plus three per centum (3%) of such par value, or to redeem Bonds or 1972 Bonds, with priority for the 1972 Bonds, at a price not in excess of the redemption price thereof, or for debt service on obligations not on a parity with the Bonds and the 1972 Bonds, the proceeds of which obligations were used to finance such additions, betterments or improvements.

(5) The moneys in excess of the sum insured by the Federal Deposit Insurance Corporation ("FDIC") in the Revenue Fund and for the Renewal and Replacement Fund (unless remitted to the Commission) shall at all times be secured, to the full extent thereof in excess of such insured sum, by direct obligations of the United States of America or such other obligations as shall be eligible as security for deposits of state and municipal funds under the laws of the State of West Virginia.

(6) If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds 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 on the subsequent payment dates.

(7) Moneys in the Reserve Accounts shall be invested and reinvested by the Commission in direct obligations of the United States of America having maturities not longer than two (2) years from the date of purchase. Moneys in the Reserve Accounts in excess

of the maximum amount required to be therein shall, at least annually, be deposited in the 1972 Bond Account and the 1980 Bond Account, respectively, in the Sinking Fund by the Commission, pro rata based upon the original amounts of the 1972 Bonds and Bonds issued.

(8) All remittances made by the Issuer to the Commission shall clearly identify the funds or accounts into which each amount is to be deposited.

ARTICLE V

APPLICATON OF BOND AND NOTE PROCEEDS

Section 5.01. Construction Trust Fund. From the moneys received from the sale of any or all the Notes, the following amounts shall be first deducted and deposited:

A. The sum required to pay interest on the Notes to maturity shall be deposited in the Sinking Fund - 1980 Bond Account and used to pay interest on the Notes as the same becomes due.

B. Upon issuance of the Bonds and exchange of the Bonds for the Notes and payment of allocated issuance expenses of the Bonds of the Authority as provided in the Loan Agreement, any balance remaining from the sale of the Bonds shall be deposited in the Construction Trust Fund.

The remaining moneys derived from the sale of the Notes shall be deposited by the Issuer in a fund to be known as the "Construction Trust Fund," which is hereby created, which fund shall be kept separate and apart from all other funds of the Issuer and shall be drawn out, used and applied by the Issuer solely for the payments of the cost of the construction and acquisition of the Project, and purposes incidental thereto, and for no other purposes whatsoever. The moneys in said fund shall be secured at all times by the deposit of such bonds in direct obligations of the United States of America having a fair market value at least equal to the balance in excess of the amount insured by FDIC in said fund. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to, such purposes, then such unapplied proceeds shall be deposited by the Issuer in the 1980 Bond Account in the Sinking Fund and shall be used only as provided herein. All such proceeds shall be and constitute a trust fund for such purposes, and there is hereby created a lien upon such moneys until so applied in favor of the Holders of the Bonds.

Expenditures or disbursements from said Construction Trust Fund, except for legal, fiscal and engineering expenses and expenses in connection with the issuance and sale of the Bonds shall be made only after such expenditures or disbursements shall have been approved in writing by the Consulting Engineers.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. General Covenants of the Issuer. All the covenants, agreements and provisions hereof 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 or the 1972 Bonds. In addition to the other covenants, agreements and provisions hereof, the Issuer hereby covenants and agrees with the Holders of the Bonds and the 1972 Bonds as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Bonds and the 1972 Bonds or the interest thereon are outstanding and unpaid.

Section 6.02. Bonds not to be Indebtedness of the Issuer. Neither the Bonds nor coupons appertaining thereto shall be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the revenues of the System, as herein provided.

Section 6.03. Bonds Secured by Pledge of Net Revenues; Statutory Mortgage Lien. The payment of the debt service of all the Bonds 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 4.01 hereof, all on a parity in all respects with the 1972 Bonds. The revenues derived from the System, in an amount sufficent to pay the principal of and interest on the Bonds and the 1972 Bonds and to make the payments into the Sinking Fund, including the Reserve Accounts therein, and all other payments provided for herein are hereby irrevocably pledged, in the manner provided herein, to the payment of the principal of and interest on the Bonds and the 1972 Bonds as the same become due, and for the other purposes provided herein.

The Bonds and the 1972 Bonds are additionally secured by a statutory mortgage lien pursuant to the Act.

Section 6.04. 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 in the office of the Board, each of 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 to pay operating expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient to provide for all reasonable expenses of operation, repair and maintenance of the System and to leave a balance each year equal to at least 130% of the maximum amount required in any ensuing year to pay the interest on and the principal of the Bonds and the 1972 Bonds as the same become due and accomplish retirement of all obligations for the payment of which such revenues have or shall have been pledged, charged or otherwise encumbered.

Section 6.05. Completion, Operation and Maintenance. The Issuer will expeditiously complete and maintain in good condition said System and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the revenues of the System in the manner provided herein.

Section 6.06. 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 and the 1972 Bonds outstanding, The proceeds from such sale, mortgage, lease or other disposition of the System shall 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 of and interest on the Bonds and the 1972 Bonds as they become due or in accordance with redemption provisions hereof and of the 1972 Resolution, as the case may be. Any balance remaining after the payment of all the Bonds and the 1972 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, unless otherwise prohibited by law, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of Ten Thousand Dollars ($10,000), the Board shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of Ten Thousand Dollars ($10,000) but not in excess of Fifty Thousand Dollars ($50,000), the Board shall first, in writing, determine with the written approval of the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and then 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, in excess of $10,000 and not in excess of $50,000, shall be remitted by the Issuer to the Commission for deposit in the Sinking Fund and shall be applied only to the purchase or prepayment, first of the 1972 Bonds, then of Bonds of the last maturities then outstanding at prices not greater than the par value thereof plus three per centum (3%) of such par value. Such payments 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 hereof.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of $50,000 and insufficient to pay all the Bonds and the 1972 Bonds then outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of sixty-six and two-thirds percentum (66-2/3%) in amount of Bonds and of the 1972 Bonds then outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds and the 1972 Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer will not issue any other obligations whatsoever, except additional parity bonds provided for in Section 6.08 hereof payable from the revenues of the System which rank prior to or equally, as to lien on and source of and security for payment from such revenues with the Bonds and the 1972 Bonds; and all obligations hereafter issued by

the Issuer 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 and the 1972 Bonds; provided, however that no such subordinate obligations shall be issued unless the Reserve Accounts in the Sinking Fund are funded to the extent that no further payments are required therefor as provided in Section 4.01(A)(2).

Except as provided in Section 6.08 below, the Issuer will 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 1972 Bonds and the interest thereon, upon any of the income and revenues of the System pledged hereby for payment of the Bonds and the 1972 Bonds and the interest thereon or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. No additional parity bonds, as in this section defined, payable out of the revenues of the System, shall be issued after the issuance of any Bonds pursuant hereto, except under the conditions and in the manner herein provided.

No such additional parity bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of additions, betterments and improvements to the System or refunding the entirety of one or more series of Bonds issued pursuant hereto and the 1972 Bonds, or both such purposes.

No such additional parity bonds shall be issued at any time, however, unless and until there has been procured and filed with the Board a written statement by a certified public accountant not in the regular employ of the Issuer 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 twelve (12) consecutive months, within the eighteen (18) months immediately preceding the date of the actual issuance of such additional parity bonds, plus the estimated average increased annual net revenues to be received in each of the three (3) succeeding years after the completion of the improvements to be financed by such additional parity bonds shall not be less than one hundred thirty per centum (130%) of the largest aggregate amount that will mature and become due in any succeeding fiscal year for principal of and interest on the following:

(1) The Bonds originally issued pursuant hereto and the 1972 Bonds then outstanding;

(2) Any additional parity bonds theretofore issued pursuant to the provisions contained herein then outstanding; and

(3) The additional parity bonds then proposed to be issued.

The "estimated average increased annual net revenues to be received in each of the three (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 additional parity bonds and (b) any increase in rates approved by the Public Service Commission of West Virginia prior to the date of delivery of such additional parity bonds and shall not exceed the amount stated in a certificate of the Consulting Engineer which shall be filed in the office of the Board prior to the issuance of such additional parity bonds.

The net revenues actually derived from the System during the twelve-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 certified public accountant as stated in a certificate jointly made and signed by the Consulting Engineers and said certified public accountant, on account of increased rates, rentals, fees and charges for the System approved by the Public Service Commission of West Virginia prior to issuance of such additional parity bonds.

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

The term "additional parity bonds," as used in this section, shall be deemed to mean additional bonds issued under the provisions and within the limitations of this section, payable from the revenues of the System on a parity with the Sewer Revenue Bonds, Series 1980, and the 1972 Bonds and all the covenants and other provisions hereof (except as to details of such additional parity bonds inconsistent herewith) shall be for equal benefit, protection and security of the Holders of the Sewer Revenue Bonds, Series 1980, and the 1972 Bonds and the holders of any additional parity bonds subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds, regardless of the time or times or their issuance, shall, together with the 1972

Bonds, rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any bond or coupon over any other. The Commission shall comply fully with all the increased payments into the various funds created hereby required for and on account of such additional bonds, in addition to the payments required for Bonds theretofore issued pursuant hereto.

All additional parity bonds shall have the same monthly maturity date and the same semiannual interest payment dates as the Bonds originally issued hereunder.

The term "additional parity bonds," as used in this section, shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued the lien of which on the revenues of the System is subject to the prior and superior lien of the Bonds and the 1972 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 equally, as to lien and source of and security for payment from such revenues, with the Bonds and the 1972 Bonds, except in the manner and under the conditions provided in this section.

No additional parity bonds, as in this section defined, shall be created at any time, however, unless all the payments into the respective funds and accounts provided for herein on the Bonds and the 1972 Bonds then outstanding, and any other payments provided for herein, shall have been made in full as required to the date of delivery of the additional bonds and the Issuer shall then be in full compliance with all the covenants, agreements and terms hereof.

Notwithstanding any of the foregoing provisions, with the written consent in advance of the Authority and upon compliance with the terms, limitations and conditions contained herein, additional parity Bonds may be authorized and issued by the Issuer pursuant to supplemental resolution solely to complete the Project in accordance with the plans and specifications therefor now on file with the Board in the event that the Bonds issued hereunder should be insufficient, together with other funds lawfully available therefor, to pay all costs of construction and acquisition of the Project; provided, however, that prior to the issuance of such additional parity bonds under the provisions of this paragraph, the Consulting Engineers shall file with the Board a statement to the effect that additional funds are needed and shall state the amount thereof deemed to be adequate for such purpose. All such additional parity bonds authorized and issued under the provisions of this paragraph shall be limited to the aggregate principal amount required to make up any deficiency in funds for payment of the construction costs to complete the Project and the maturities of any such additional

parity bonds shall be in years and amounts suggested by the Authority.

Section 6.09. Insurance. The Issuer will carry, with a reputable insurance carrier or carriers, such insurance as is customarily carried with respect to works and properties similar to the System, against loss or damage by fire, explosion, hurricane, earthquake, cyclone, occupancy or other hazards and risks, which insurance shall at all times be in an amount or amounts equal to the fair appraisal value of the buildings, properties, furniture, fixtures and equipment of the System. In time of war, the Issuer shall also carry in said amount such insurance as may be available against loss or damage by 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 also carry liability insurance for damage or injury to persons or property in amounts adequate for such purposes and customarily carried with respect to works and properties similar to the System.

Section 6.10. Services Rendered to the Issuer. The Issuer will not render or cause to be rendered any free services of any nature by its System; and in the event the Issuer or any 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 officer or employee.

Section 6.11. Remedies and Appointment of Receiver. Any Bondholder may, by proper legal action, compel the performance of the duties of the Issuer hereunder and under the Act, including 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 default in the payment of interest on any Bonds or 1972 Bonds when the same shall become due, or in the payment of the principal of any Bond or Bonds or 1972 Bonds at the specified date of maturity thereof, or otherwise in the performance of any covenant contained herein other than as to such payment and such default shall continue for a period of thirty (30) days after written notice to the Issuer of such default, any Bondholder shall, in addition to all other remedies or rights, including, but not limited to, the right of foreclosure provided in the Act, 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 the Bonds and the

1972 Bonds and interest thereon, the deposits into the funds and accounts hereby established as herein provided and the payment of operating expenses of the System, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions hereof and of the Act.

The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate 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 principal due upon the Bonds and the 1972 Bonds and interest thereon and under any covenants hereof 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 hereof 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 Bondholder shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

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

Section 6.12. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rates, 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, rates, rentals or other charges that shall become delinquent to the full extent permitted or authorized by the laws of the State of West Virginia. All such fees, rates and charges, if not paid when due, shall become a lien on the premises served by the System. When such fees, rates and charges have been delinquent for thirty (30) days, the Issuer shall have the power to forthwith foreclose the lien on the premises served in the manner provided for the foreclosure of mortgages on real property by the laws of West Virginia, as provided by the Act.

Whenever any rates, rentals or charges for services or facilities of the System shall remain unpaid for a period of thirty 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. The Issuer further convenants and agrees that in the event it owns a waterworks system (the "Water System"), 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 the Water System to all delinquent users of services and facilities of the System and will not restore such services of either System until all delinquent charges for the services and facilities of the System, plus reasonable interest penalty charges for the restoration of service, have been fully paid.

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

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

The accounting system for the System shall follow currently accepted accounting practices and safeguards. 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 Board. The Board 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 Board shall be reported to such agent of the Issuer as the Board shall direct.

The Issuer shall file with the Consulting Engineers and the Authority, 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 and net revenues derived from the System.

B. A balance sheet statement showing all deposits in all the funds provided for herein and the status of all said funds.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by a certified public accountant and shall mail upon request, and make available generally, the report of said certified public accountant or a summary thereof to any Holder or Holders of Bonds and shall file said report with the Authority and HUD.

Section 6.15. Operating Budget. The Board shall annually, at least thirty (30) days preceding the beginning of each fiscal year, prepare and adopt by resolution a detailed 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 Board shall have unanimously authorized the same. The Board shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to any Bondholder who shall file his address with the Board and request in writing that copies of all such budgets and resolutions be furnished him 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 Bondholder or anyone acting for and in behalf of such Bondholder.

Section 6.16. Mandatory Connections. The mandatory use of the sewer facilities of the System is essential and necessary for the protection and preservation of the public health, comfort,

safety; convenience and welfare and the economy of the inhabitants 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 and occupant of every lot, parcel and tract of land that abuts on a street, alley or other public way in which any sewer line, main or facility is located, or which is located within a reasonable distance thereof, not exceeding 300 feet, and is reasonably accessible thereto, and upon which lot, parcel or tract a building or other habitable structure has been or shall be erected for residential, commercial or industrial use, shall connect the waste or sewage lines of such building or structure with the facilities of the System if sewage will flow by gravity from such building or structure into the facilities of the System and shall thereupon and thereafter refrain from using and shall cease to use any other method for the disposal of sewage or water-borne waste matter and shall pay all charges, fees and rates lawfully provided for use of the sewer facilities.

Any such building or structure from which emanates sewage or water-borne waste matter and 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.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Modification or Amendment. No material modification or amendment hereof or of any resolution amendatory hereof or supplemental hereto that would materially and adversely affect the rights of Bondholders shall be made without the consent in writing of the Holders of two-thirds (2/3) or more in principal amount of the Bonds and of the 1972 Bonds then outstanding; provided, however, that no change shall be made in the maturity of any Bond or Bonds or the 1972 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 revenues of the System without the consent of the Holder thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds and 1972 Bonds required for consent to the above permitted amendments or modifications.

Section 7.02. Severability of Invalid Provisions. If any section, paragraph, clause or provision hereof shall be held

invalid, such invalidity shall not affect any of the remaining provisions hereof.

Section 7.03. Repeal of Conflicting Resolutions; 1972 Resolution. All resolutions and orders, or parts thereof, in conflict herewith are to the extent of such conflict repealed, including the 1972 Resolution to the extent of conflict herewith.

The 1972 Resolution, with the consent of HUD heretofore given, is hereby amended to conform with the provisions hereof as to flow of funds and the Funds, Reserves and Accounts, as herein provided.

Section 7.04. 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 final enactment and passage hereof 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, the Secretary and members of the Board were at all times when any actions in connection herewith occurred, and are, duly in office and duly qualified for such offices.

Section 7.05. Defeasance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds and all 1972 Bonds and coupons the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and herein, then the pledge of any revenues, and other moneys and securities pledged hereby and all covenants, agreements and other obligations of the Issuer to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds and 1972 Bonds or coupons or interest installments for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the paying agent at the same or earlier time, shall be sufficient, to pay as and when due the principal of and interest on such Bonds and 1972 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 and 1972 Bonds and all coupons appertaining to such Bonds and 1972 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 either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due,

will provide moneys which, together with the moneys, if any, deposited with the Commission at the same time, shall be sufficient, to pay when due the principal of and interest due and to become due on the Bonds and 1972 Bonds on and prior to the maturity dates thereof as the case may be. Neither securities or 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 of and interest on said Bonds and 1972 Bonds; provided that any cash received from such principal or interest payments on such securities deposited with the Commission, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and interest to become due on said Bonds and 1972 Bonds on and prior to such maturity dates thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Issuer, as received by the Commission, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only obligations of, or obligations guaranteed by, the United States of America.

Section 7.06. Restrictions as to Arbitrage Bonds. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly 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, and the Chairman of the Board shall deliver his certificate, based upon this covenant, with regard thereto to the Authority.

Section 7.07. Effective Date. This Bond Legislation shall take effect upon passage, in the manner prescribed by law; provided, however, that the Bonds shall not be delivered to the Authority until the West Virginia Public Service Commission has given its approval of the sale of the Bonds thereto.

Adopted August 15, 1980.

Chairman of Public Service Board

Member

Member

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

$3,620,000 Sewerage System Bond Anticipation Notes,
Series 1980

Supplemental Note Legislation

SUPPLEMENTAL NOTE LEGISLATION SUPPLEMENTING A RESOLUTION ENTITLED "A RESOLUTION AUTHORIZING THE CONSTRUCTION AND ACQUISITION OF CERTAIN SEWAGE FACILITIES OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, GREENBRIER COUNTY, WEST VIRGINIA, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $3,900,000 IN PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1980, AND BOND ANTICIPATION NOTES; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS AND NOTES; AUTHORIZING THE SALE OF SUCH BONDS AND NOTES TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY PURSUANT TO THE TERMS OF A LOAN AGREEMENT BETWEEN THE DISTRICT AND SAID AUTHORITY AND ADOPTING OTHER PROVISIONS RELATING THERETO"; SETTING THE AGGREGATE PRINCIPAL AMOUNT OF SEWERAGE SYSTEM BOND ANTICIPATION NOTES, SERIES 1980, TO BE ISSUED AT $3,620,000 AND CONFIRMING THE SALE THEREOF TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; AND ADOPTING OTHER PROVISIONS RELATING TO SUCH NOTES.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, GREENBRIER COUNTY, WEST VIRGINIA:

ARTICLE I

STATUTORY AUTHORITY
FINDINGS AND DEFINITIONS

Section 1.01. Authority for This Supplemental Note Legislation. This Supplemental Note Legislation is adopted pursuant to the provisions of Article 13A of Chapter 16 of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law and in accordance with Section 3.09A of a resolution adopted by the Public Service Board of Greenbrier Public Service District No. 1 (the "District") on August 15, 1980, entitled "A Resolution authorizing the construction and acquisition of certain sewage facilities of Greenbrier Public Service District No. 1, Greenbrier County, and the financing of the cost, not otherwise provided, thereof through the issuance by the District of not more than $3,900,000 in principal amount of Sewer Revenue Bonds, Series 1980, and Bond Anticipation Notes; providing for the rights and remedies of and security for the holders of such bonds and notes; authorizing the sale of such bonds and notes to the West Virginia Water Development Authority pursuant to the terms of a Loan

Agreement between the District and said Authority and adopting other provisions relating thereto" (the "Resolution").

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

A. By loan application dated August 6, 1979, as revised and supplemented, the District applied for a loan from the West Virginia Water Development Authority (the "Authority") for the purpose of financing part of the cost of construction and acquisition of certain sewer facilities in the District, which loan application was approved by the Authority.

B. On August 15, 1980, the Public Service Board of the District adopted the Resolution, authorizing the issuance of not more than $3,900,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1980 (the "Bonds") and not more than $3,620,000 Sewerage System Bond Anticipation Notes, Series 1980 (the "Notes"), and the execution of a loan agreement with the Authority.

C. The District and the Authority entered into a loan agreement dated August 15, 1980, which provided for a loan to the District by the Authority through the purchase by the Authority of $3,620,000 in aggregate principal amount of Notes of the District at a price of not less than $3,583,800, pending issuance of the Bonds.

D. It is in the best interest of the inhabitants of the District that the District confirm the sale of its Notes to the Authority and supplement the Resolution by providing for certain terms and conditions of the issuance and sale of the Notes.

Section 1.03. Definitions. The terms used in this Supplemental Note Legislation shall have the meanings set forth in Section 1.04 of the Resolution unless the context expressly requires otherwise.

ARTICLE II

FORM, AMOUNT, CONFIRMATION OF SALE AND DELIVERY OF NOTES

Section 2.01. Details of Notes. The Notes shall be issued in the form of one fully registered Note, numbered NR-1, in the principal amount of Three Million Six Hundred Twenty Thousand Dollars ($3,620,000). The Note, No. NR-1, shall be dated on date of delivery, shall mature June 1, 1981, subject to renewal for one year by the Authority, and interest payment dates shall be August 29 and November 28, 1980, and February 27 and May 29, 1981.

Section 2.02. Confirmation of Sale of Notes. The entire issue of the Notes was previously, and is hereby confirmed to be, awarded to the West Virginia Water Development Authority, being sold to the Authority for a purchase price of Three Million Five Hundred Eighty-Three Thousand Eight Hundred Dollars ($3,583,800), all pursuant to Section 3.09A of the Resolution, the Loan Agreement and a letter dated June 17, 1980, from the Authority to the District.

Section 2.03. Delivery of Note No. NR-1. Note No. NR-1, representing the entire issue of the Sewerage System Bond Anticipation Notes, Series 1980, of the District, shall be delivered to the West Virginia Water Development Authority as soon as the Authority is ready to accept deliverance and pay for the same.

ARTICLE III

OTHER TERMS OF THE NOTES

Section 3.01. Alternate Paying Agent. There shall not be any alternate paying agent for the Notes.

Section 3.02. Payments into Sinking Fund. The District shall begin its monthly payments into the Sinking Fund on July 1, 1981, and Section 4.01(A)(2) of the Resolution is hereby supplemented to reflect such date.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Supplemental Note Legislation shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Supplemental Resolution.

Section 4.02. Repeal of Conflicting Resolutions. All resolutions and orders, or parts thereof, in conflict with this Supplemental Note Legislation are to the extent of such conflict repealed.

Section 4.03. Effective Date. This Supplemental Note Legislation shall take effect immediately upon adoption.

Date: August 15, 1980

Chairman

Member

Member

CERTIFICATE

I, PHILLIP L. McLAUGHLIN, Secretary of the Public Service Board of Greenbrier Public Service District No. 1, Greenbrier County, West Virginia, certify that the foregoing document is a true and correct copy of the Supplemental Note Legislation adopted by the Public Service Board of Greenbrier Public Service District No. 1 on August 15, 1980.

Given under my hand and the seal of Greenbrier Public Service District No. 1 this 15th day of August, 1980.

Secretary, Public Service Board

[SEAL]

RESOLUTION

A Resolution supplementing a resolution entitled:

A RESOLUTION AUTHORIZING THE CONSTRUCTION AND ACQUISITION OF CERTAIN SEWAGE FACILITIES OF GREENBRIER COUNTY, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $3,900,000 IN PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1980, AND BOND ANTICIPATION NOTES; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS AND NOTES; AUTHORIZING THE SALE OF SUCH BONDS AND NOTES TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY PURSUANT TO THE TERMS OF A LOAN AGREEMENT BETWEEN THE DISTRICT AND SAID AUTHORITY AND ADOPTING OTHER PROVISIONS RELATING THERETO.

adopted by the Public Service Board of Greenbrier Public Service District No. 1 on August 15, 1980, (the "Resolution"), as amended on August 28, 1981, by an amendatory resolution (the "Renewal Note Resolution") accepting the Water Development Authority's extension of the stated maturity of the District's Sewerage System Bond Anticipation Renewal Note, 1981 Series A, from May 31, 1981 to May 31, 1982.

WHEREAS, by adoption of the Renewal Note Resolution, as described above, there was authorized and issued to the West Virginia Water Development Authority (the "Authority"), the District's Sewer System Bond Anticipation Renewal Note, 1981 Series A (the "Renewal Note");

WHEREAS, said Renewal Note was issued in accordance with Subsection 4.1(b)(iii) of the Loan Agreement, dated August 15, 1980, between the District and the Authority (the "Loan Agreement"), and Section 3.01A of the said Resolution adopted by the Public Service Board of the District on August 15, 1980, as amended by the Renewal Note Resolution (collectively, the "Local Act");

WHEREAS, the Renewal Note, outstanding in the principal amount of $3,620,000, matures on May 31, 1982;

WHEREAS, the Authority, by letter dated May 24, 1982, a copy of which is attached as Exhibit A hereto and incorporated herein by reference (the "Extension Letter"), has extended the stated maturity of the Renewal Note to November 30, 1982, and has expressly waived any event of default under the Local Act, the Loan Agreement or the Renewal Note for nonpayment of the Renewal Note on May 31, 1982, upon the terms set forth in the Extension Letter; and

WHEREAS, it is in the best interests of the District and the inhabitants thereof to accept said extension and waiver, and the terms thereof;

NOW, THEREFORE, Be It Resolved by the Public Service Board of the Greenbrier Public Service District No. 1, as follows:

1. The Authority's extension of the stated maturity of the Renewal Note from May 31, 1982, to November 30, 1982, its waiver of an event of default under the Local Act, the Loan Agreement and the Renewal Note and the terms thereof, all as set forth in the Extension Letter, are hereby accepted.

2. The Chairman of the Public Service Board is hereby authorized and directed to execute the duplicate of the Extension Letter, and the Secretary of the Public Service Board is hereby authorized and directed to return such executed duplicate, together with a certified copy of this resolution, to the Authority and to cause an opinion of Bond Counsel, in requisite form, to be delivered to the Authority, all prior to May 31, 1982, or as soon thereafter as this resolution is adopted, but in any event prior to June 8, 1982.

3. This resolution shall take effect immediately upon adoption.

Adopted this 28th day of May, 1982.

Chairman, Public Service Board

Certified a true copy as of this 7th day of June, 1982.

[SEAL]

Secretary, Public Service Board

06/04/82
WDA

LOAN AGREEMENT

THIS LOAN AGREEMENT, Made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), and GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, 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 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; and

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State of West Virginia to construct, own and operate 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 and bond anticipation notes or other short-term indebtedness issued by such Governmental Agency; and

WHEREAS, the United States Environmental Protection Agency (the "EPA") has awarded a "Step III" grant offer pursuant to the provisions of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended, for the construction of a water development project by the Governmental Agency (the "Project") at the location and as more particularly described and set forth in the Application for Loan with attachments and exhibits, dated _____, 19__, completed by the Governmental Agency and filed with the Authority, as revised and supplemented (the "Application"), which Application is incorporated herein by this reference; and

WHEREAS, the Governmental Agency has also received commitments for such other grants, loans and other financial assistance with respect to such water development project as are described and set forth in Schedule A of the Application; and

WHEREAS, the Authority intends to issue its Water Development Revenue Bonds (Sewage Systems Loan Program), 1982 Series A (the "1982 Series A Bonds"), in accordance with the provisions of the Act and the resolution of the Authority duly adopted on November 29, 1978 (the "Bond Resolution"), as supplemented by a series resolution authorizing the 1982 Series A Bonds, the proceeds of such 1982 Series A Bonds to be used by the Authority to purchase the 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 1982 Series A Bonds and to the extent of the availability of the proceeds of such 1982 Series A Bonds; and

WHEREAS, the Governmental Agency has requested a loan from the Authority to be evidenced by revenue bonds issued by the Governmental Agency and purchased by the Authority, the proceeds of such loan to be used by the Governmental Agency to pay the portion of the cost of the Project which is not paid from the sources stated in the Application or to refund certain bond anticipation notes or other short-term indebtedness issued in anticipation of said revenue bonds and any additional costs of the Project not so paid; 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;

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," and "water development project" have the definitions and meanings ascribed to them in the Act; provided, that "water development project" means only a "wastewater facility," as also defined in the Act.

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

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

1.4 "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.

1.5 "Local Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of Chapter 16, Article 13A, of the Code of West Virginia, 1931, as amended, to evidence the Loan, and which will be purchased by the Authority with a portion of the proceeds of its 1982 Series A Bonds, in accordance with the provisions of this Loan Agreement.

1.6 "Project" means the water development project hereinabove referred to, to be or being constructed by the Governmental Agency with, among other funds, the proceeds of the WDA Loans as hereinafter defined, or with the proceeds of the bond anticipation notes or other short-term indebtedness refunded with the proceeds of the WDA Loans, as hereinafter defined.

1.7 "Supplemental Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of Chapter 16, Article 13A, of the Code of West Virginia, 1931, as amended, to evidence the Supplemental Loan, as hereinafter defined, and which will be purchased by the Authority with funds other than the proceeds of its 1982 Series A Bonds, in accordance with the provisions of this Loan Agreement.

1.8 "Supplemental Loan" means the loan to be made by the Authority to the Governmental Agency through the purchase of Supplemental Bonds, pursuant to this Loan Agreement.

1.9 "System" means the complete sewage system and works owned by the Governmental Agency and any additions, betterments and improvements thereto hereafter constructed or acquired from any sources whatsoever and includes the Project.

1.10 "WDA Loans" means, collectively, the Loan and the Supplemental Loan.

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

ARTICLE II

Identification of Project; Ownership of Project; Rights of Access Thereto; Governmental Agency Financing

2.1 The Project undertaken by the Governmental Agency shall generally consist of the acquisition, construction and

installation 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) and consistent with the standards set by the West Virginia Water Resources Board for the waters of the State of West Virginia affected thereby.

2.2 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 have such rights of access to the Project site and Project facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority in respect of the Project pursuant to the pertinent provisions of the Act.

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 statute authorizing the issuance of the Governmental Agency Bonds.

ARTICLE III

Conditions to WDA Loans; Issuance of Governmental Agency Bonds

3.1 The agreement of the Authority to make the Loan is subject to the Authority's issuing and delivering the 1982 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 Local Bonds, which shall be a date mutually agreed upon by the Authority and the Governmental Agency and which date shall not be prior to one (1) business day before the scheduled maturity of the Governmental Agency's bond anticipation notes or other short-term indebtedness issued in anticipation of the Governmental Agency Bonds, if any (or earlier redeption date thereof if such notes or other short-term indebtedness are in fact called for redemption), nor later than twenty-seven (27) months from the date the 1982 Series A Bonds are delivered to the initial purchasers thereof; provided that, if such Local Bonds are not

delivered on or before the date so mutually agreed upon, the Authority may use monies for the purchase of local bonds of other governmental agencies in accordance with Section 3.4 hereof. Said conditions precedent are as follows:

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

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

(c) The Governmental Agency shall have received bids for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application;

(d) The Governmental Agency shall have obtained all requisite orders of and approvals from the West Virginia Public Service Commission necessary for the issuance of the Governmental Agency Bonds, construction of the Project and imposition of the rates required to comply with the provisions of Subsection 4.1(b)(iii) hereof and shall have taken any other action required for the imposition of such rates;

(e) The Governmental Agency shall have obtained all requisite permits necessary for the construction of the Project from the EPA and the West Virginia Department of Natural Resources;

(f) The Governmental Agency shall have obtained a Step III grant offer from the EPA; and

(g) The Governmental Agency shall have received a certificate, in form and substance satisfactory to the Authority, from the consulting engineer designated by the Authority, regarding the engineering report for the Project.

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 principal amount set forth in Schedule X hereto and provide proceeds of not less than $405,000.00 ~~$738,000~~, such Governmental Agency Bonds to consist of a mix of Local Bonds and Supplemental Bonds as will result in annual debt service on the Governmental Agency Bonds of not in excess of ~~$385,000~~ $415,000. The Local Bonds will be

purchased by the Authority at a price of not less than seventy percent (70%) of the principal amount thereof, and the Supplemental Bonds will be purchased by the Authority at a price equal to one hundred percent (100%) of the principal amount thereof, all as more particularly set forth on Schedule X hereto. The Local Bonds and the Supplemental Bonds shall be issued and sold to the Authority simultaneously. The Governmental Agency represents that the proceeds of the Governmental Agency Bonds will, together with the funds from the sources set forth in the Application, including any bond anticipation notes or other short-term indebtedness issued in anticipation of the Governmental Agency Bonds, and any other funds available to the Governmental Agency and approved by the Authority, pay the entire cost of the Project and refund said bond anticipation notes or other short-term indebtedness.

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 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 1982 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 shall permit the fullest and most timely utilization of such proceeds to enable the Authority to pay debt service on the 1982 Series A Bonds.

3.5 In the event the earnings on that portion of the proceeds of the 1982 Series A Bonds issued to purchase the Local Bonds are not sufficient to pay the interest accruing on said portion of the 1982 Series A Bonds pending issuance and delivery of the Local Bonds, the Governmental Agency agrees to issue additional Supplemental Bonds in principal amount equal to such deficiency (as determined by the Authority) and sell such additional Supplemental 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 applicable statute of the State of West Virginia (the "Local Act"), 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 first to pay operation and maintenance expenses of the System; second, to the extent not otherwise limited by an outstanding local resolution, to provide debt service on the Local Bonds, which shall include the establishment of a reserve account for the payment of the Local Bonds into which shall be deposited an amount equal to 20% of all amounts required to be deposited for debt service until such reserve account equals the maximum amount of principal and interest which will come due on such Local Bonds in any year; third, to create a renewal and replacement, or similar, fund in an amount equal to 2-1/2% of the gross revenues from the System, exclusive of the 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 aforesaid reserve account; and, fourth, to pay debt service on the Supplemental Bonds or to purchase Local Bonds on the open market, or to redeem Local Bonds, or to pay debt service on obligations junior and subordinate to the Local Bonds (other than the Supplemental 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 the 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 reasonable expenses of operation, repair and maintenance of the System and leave a balance each year equal to at least 130% of the maximum amount required for debt service on all obligations, including the Governmental Agency Bonds, payable from the revenues of the System;

(iv) That the Governmental Agency will complete, 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 130% of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued; provided, however, that additional parity bonds may be issued to complete the Project 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 of 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 all delinquent rates and charges, if not paid when due, shall become a lien on the premises served by the System;

(xi) That, in the event the Governmental Agency owns a waterworks system (the "Water System"), it will, to the full extent permitted by law, discontinue and shut off the services and facilities of the System and the Water System to all delinquent users of 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 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 a certified public accountant;

(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, prospective users of the System shall be required to connect thereto;

(xvi) That, except to the extend used to refund notes or other short-term indebtedness issued in anticipation thereof, the proceeds of Governmental Agency Bonds, except for accrued interest, must be deposited in a construction fund on which the holder of the Government Agency Bonds shall have a lien until such proceeds are applied to the construction of a water development project.

The Governmental Agency hereby represents and warrants that the Local Act has been or shall be duly adopted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization, issuance, sale and delivery of the Local Bonds shall be approved without qualification by recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit 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 operation and maintenance 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, and interest payments on the Loan shall be made by the Governmental Agency on a semi-annual 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, at a coupon rate or rates per annum which shall be equal to the coupon rate or

rates per annum borne by the 1982 Series A Bonds for corresponding maturities issued to provide the funds to make the Loan; provided, however, that in no event shall the coupon interest rate or the interest cost exceed any statutory limitation with regard to the issuance of the Local Bonds. The Supplemental Loan will not bear interest.

4.5 The Governmental Agency Bonds shall be delivered to the Authority in fully registered form, 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 administrative expenses (based on the percentage of the Governmental Agency's Local Bonds to all other local bonds purchased by the Authority and then outstanding) of the Authority relating to all loans to be made by the Authority to governmental agencies with the proceeds of the 1982 Series A Bonds. 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 such revenue bonds.

4.7 As long as the Authority is the registered owner of all of the Governmental Agency Bonds outstanding, the Governmental Agency will 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 Authority's 1982 Series A Bonds and the redemption premium payable on the 1982 Series A Bonds redeemable as a consequence of such redemption of Local Bonds. Nothing in this Loan Agreement shall be construed to prohibit the Authority from refunding its 1982 Series A Bonds, and such refunding need not be based upon or result in any benefit to the Governmental Agency.

ARTICLE V

Acquisition of Site of Eligible Project; Certain Construction Requirements

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

5.2 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 administration of the WDA Loans or of Federal and State grants or other sources of financing for the Project.

5.3 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.

5.4 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workmen's 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 builders 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.

5.5 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.

ARTICLE VI

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

6.1 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, of which the Project constitutes a whole or a part, as set forth in the Local Act and in compliance with the provisions of Subsection 4.1(b)(iii) hereof.

6.2 In the event the Governmental Agency defaults in the payment of any of said fees and charges to the Authority, the amount of such default shall bear interest at the coupon rate of the Local Bonds, from the date of the default until the date of the payment thereof.

6.3 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, upon notice by the Authority, 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.

6.4 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 directly impose, enforce and collect charges upon users of the System of which the Project constitutes a whole or a part.

ARTICLE VII

Other Agreements of the Governmental Agency

7.1 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 in futuro 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.

7.2 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 of West Virginia.

7.3 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, operation, maintenance and use of the Project.

7.4 The Governmental Agency hereby warrants and represents that all information provided to the Authority in this Loan Agreement, in its Application for the WDA Loans 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 for the WDA Loans or in any supporting documentation or has violated any of the terms of this Loan Agreement.

7.5 The Governmental Agency hereby covenants that, to the extent the proceeds of the Governmental Agency Bonds are used to refund notes or other short-term indebtedness of the Governmental Agency issued in anticipation of the issuance of the Governmental Agency Bonds (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 Treasury Regulations §§ 1.103-13 and 1.103-14.

ARTICLE VIII

Maintenance and Operation

8.1 The Governmental Agency agrees that it will at all times provide operation and maintenance of the Project 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 of West Virginia will be retained to operate the Project during the entire term of this Loan Agreement.

8.2 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 Project at any reasonable time following completion of construction of the Project and commencement of operation thereof.

ARTICLE IX

Miscellaneous

9.1 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.

9.2 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.

9.3 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.

9.4 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.

9.5 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.

9.6 The Governmental Agency hereby agrees to cooperate with the Authority in amending this Loan Agreement as required by the terms of sale of the 1982 Series A Bonds: provided, that the maximum annual debt service set forth in Section 3.2 shall not be increased by more than five percent (5%).

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.

GREENBRIER PUBLIC SERVICE DISTRICT NO. I

(SEAL)

By _____

Its Chairman

Attest:

Date: May 31, 1982

_____

Its Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By _____

Its Director

Attest:

Date: _____

_____

Its Secretary-Treasurer

EXHIBIT A

[Opinion of Bond Counsel for Governmental Agency]

[To Be Dated as of Date of Loan Closing]

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

Gentlemen:

We are bond counsel to _____ (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.

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of a loan agreement (the "Loan Agreement"), dated _____, 19__, 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 April 1 and October 1 of each year, beginning _____, 19__, at the respective rate or rates and with principal payable in installments on October 1 in each of the years, all as follows:

Year	Installment	Interest Rate

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 October 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 Chapter 16, Article 13A, of the West Virginia Code of 1931, as amended (the "Code Provision"), 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 that:

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 subdivison of the State of West Virginia, with full power and authority to construct, acquire, operate and maintain the project referred to in the Loan Agreement and to issue and sell the Governmental Agency Bonds, all under the Code Provision 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 lien on and pledge of the net revenues of the system referred to in the Local Act, all in accordance with the terms of the Local Bond 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 Bond, 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 the laws, regulations, rulings and decisions of the United States of America, as presently written and applied, the interest on the Local Bond 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,

SUPPLEMENTAL
RESOLUTION

WHEREAS, GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 (the "Governmental Agency") acting through its governing body, has heretofore, on August 15, 1980, adopted a bond and notes resolution authorizing issuance of the Governmental Agency's Sewer Revenue Bonds, and said resolution has been amended by amendatory and supplemental resolutions regarding extension of maturity of the Governmental Agency's interim financing as represented by a bond anticipation note;

WHEREAS, West Virginia Water Development Authority ("WDA") has informed the Governmental Agency that permanent financing for the sewer system will be available shortly, and in anticipation thereof, the Governmental Agency has heretofore executed and delivered to WDA a revised Loan Agreement dated May 31, 1982 (the "Loan Agreement") setting forth certain provisions in connection with the permanent bonds;

WHEREAS, it is in the best interest of the Governmental Agency to accept the terms for permanent financing as set forth in the Loan Agreement and "Schedule X", attached thereto, as presented to this meeting.

NOW THEREFORE, BE IT RESOLVED, by the Public Service Board of Greenbrier Public Service District No. 1, that the Loan Agreement and the execution and delivery thereof be ratified and approved and that "Schedule X" thereto, as presented to this meeting, be hereby approved in the form so presented.

BE IT FURTHER RESOLVED that issuance of the Governmental Agency's Bonds in the aggregate principal amount and with interest rates and payment dates and other provisions as set forth in said Schedule X is hereby authorized and approved.

This resolution shall be supplemental to the original resolution adopted by the Governmental Agency on August 15, 1980 and shall take effect immediately.

Adopted this 23rd day of June, 1982.

Chairman

Secretary

06/21/82
WDA

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1

Sewer Revenue Bonds,
Series 1983 A and Series 1983 B

RESOLUTION PROVIDING AS TO DATE, MATURITY, INTEREST RATE AND SALE PRICE OF THE SEWER REVENUE BONDS, SERIES 1983, OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1; CHANGING SERIES DESIGNATION; AUTHORIZING ISSUANCE OF SUCH BONDS IN TWO SEPARATE SERIES AND AMENDING, AUTHORIZING, APPROVING AND RATIFYING A LOAN AGREEMENT AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, Greenbrier Public Service District No. 1 (the "Issuer") is a public service district of the State of West Virginia, the governing body of which is its public service board (the "Governing Body"); and

WHEREAS, the Governing Body has duly and officially adopted on August 15,1980, a Resolution (the "Bond and Notes Resolution") entitled:

A RESOLUTION AUTHORIZING THE CONSTRUCTION AND ACQUISITION OF CERTAIN SEWAGE FACILITIES OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, GREENBRIER COUNTY, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $3,900,000 IN PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1980, AND BOND ANTICIPATION NOTES; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS AND NOTES; AUTHORIZING THE SALE OF SUCH BONDS AND NOTES TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY PURSUANT TO THE TERMS OF A LOAN AGREEMENT BETWEEN THE DISTRICT AND SAID AUTHORITY AND ADOPTING OTHER PROVISIONS RELATING THERETO.

providing for the issuance of Sewer Revenue Bonds, Series 1980, of the Issuer in the principal amount not to exceed $3,900,000 (the "1980 Bonds), and providing for the issuance of Sewerage System Bond Anticipation Notes of the Issuer (the "BAN") in the aggregate

principal amount of $3,620,000, all in accordance with West Virginia Code, Chapter 16, Article 13A (the "Act") and the Issuer has, on August 28, 1981, May 28, 1982, and June 23, 1982, adopted Resolutions supplementing the Bond and Notes Resolution (such supplemental Resolutions, together with the Bond and Notes Resolution, and this Supplemental Resolution collectively called herein the "Bond Legislation") and in the Bond and Notes Resolution it is provided that the actual principal amount, maturity date, interest rate, interest payment dates, sale price and other provisions relating to the 1980 Bonds should be established by a Supplemental Resolution; and

WHEREAS, in order for the 1980 Bonds to be sold by the Issuer to West Virginia Water Development Authority ("WDA") pursuant to the Bond Legislation, it is necessary for such bond issue to be issued in two series, one subordinate to the other, for the series designation to be changed from "Series 1980" to "Series 1983" and with such other changes in the proposed issue as are set forth in a Loan Agreement, dated May 31, 1982 as amended hereby (the "Loan Agreement"), heretofore entered into by and between the Issuer and WDA.

WHEREAS, the Governing Body deems it essential and desirable that this Resolution (the "Bond Resolution") be adopted and that the Loan Agreement be amended, authorized, approved and ratified by the Issuer, that the denominations, principal amounts, prices, maturity dates, interest rates, interest payment dates and series designation of the 1980 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 GREENBRIER PUBLIC SERVICE DISTRICT NO. 1:

Section 1. Pursuant to the Bond and Notes Resolution and the Act, this Bond Resolution is adopted and the bonds heretofore authorized as "Series 1980 Bonds" shall be redesignated as "Series 1983 A Bonds" and "Series 1983 B Bonds" (collectively the "Bonds"). Accordingly, there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 1983 A (the "Series 1983 A Bonds") of the Issuer in the aggregate principal amount of Two Million Nine Hundred Fifty Thousand Dollars ($2,950,000), and the Sewer Revenue Bonds, Series 1983 B (the "Series 1983 B Bonds"), of the Issuer in the aggregate principal amount of Nine Hundred Ten Thousand Dollars ($910,000).

The Series 1983 A Bonds shall be dated June 2, 1983, shall bear interest at the rates, payable on the respective principal installments on April 1 and October 1 of the years and shall have principal installments payable on October 1 of such years and in such amounts as are set forth in "Schedule X" to the Loan Agreement, which Loan Agreement and said Schedule X are attached hereto as a part hereof and fully incorporated herein.

The Series 1983 B Bonds shall be dated June 2, 1983, shall not bear interest and shall have principal installments payable on October 1, of such years and in such amounts as are set forth in said Schedule X.

Section 2. The Issuer hereby directs the Bonds to be sold to WDA and does hereby authorize, approve and ratify the Loan Agreement, as amended hereby, and the execution and delivery thereof, a copy of which is incorporated herein by reference. The purchase price of the Series 1983 A and Series 1983 B Bonds, pursuant to the Loan Agreement shall be $2,492,750 (84.5%) and $910,000 (100%), respectively.

Section 3. The Bonds shall be secured in the manner and payable solely from the Net Revenues derived from operation of the System (as defined in the Bond and Notes Resolution). The Series 1983 A Bonds shall be on a parity with respect to sources of and security for payment with the outstanding Sewer Revenue Bonds, Series A, of the Issuer, dated May 1, 1972, issued in the aggregate principal amount of $670,000 (the "HUD Bonds"), sold to and held by the United States Department of Housing and Urban Development ("HUD"), consent to which has been obtained by the Issuer from HUD. The Series 1983 B Bonds shall be junior and subordinate with respect to sources and security for payment to the Series 1983 A Bonds and the HUD Bonds.

The text of the Series 1983 A Bond shall be of substantially the following form, with such omissions, insertions and variations as may be approved by the Chairman as evidenced by his execution thereof:

[Form of Series 1983 A Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWER REVENUE BOND, SERIES 1983 A

No. R-1 $2,950,000

KNOW ALL MEN BY THESE PRESENTS: That GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, a public service district and political subdivision of the State of West Virginia (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 "Payee"), or its registered assigns (the "Alternate Payee"), the sum of Two Million Nine Hundred Fifty Thousand Dollars ($2,950,000), in installments on October 1 of each year, with interest on the outstanding balance hereof at the rates per annum set forth in the Schedule of Payments attached hereto opposite the year in which the installment becomes due.

The interest rate on each installment shall run from the original date of delivery of this Bond to the Payee and payment therefor, and until payment of such installment, and such interest shall be payable on the first day of April and the first day of October in each year, beginning October 1, 1983. Both principal of and interest on this Bond are payable in any coin or currency which, on the respective dates of payment of principal and interest, 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, through Kanawha Valley Bank, N.A., Charleston, West Virginia.

This Bond is subject to redemption prior to its stated date of maturity in whole or in part in inverse order of maturities only on or after the date on which all outstanding bonds issued by the West Virginia Water Development Authority (the "Authority") to provide funds for the purchase of this Bond are redeemable and at a price equal to the aggregate of (i) the corresponding principal amount of the bonds of the Authority to be redeemed by the Authority as a consequence of the redemption by the Issuer of all or a part of its Bond outstanding, (ii) the interest to accrue on the bonds of the Authority so to be redeemed to the next redemption date thereof and not previously paid, (iii) the applicable premium, if any, payable on the bonds of the Authority so to be redeemed, (iv) the applicable premium, if any, payable on additional bonds of the Authority which also become redeemable by virtue of such redemption,

(v) the costs and expenses of the Authority in effecting redemption of the bonds of the Authority so to be redeemed, and (vi) at the direction of the Authority, an amount equal to the proportionate amount of the additional bonds of the Authority so to be redeemed, if any, less other moneys of the Authority available therefor; provided, however, that in the event the bonds of the Authority have been refunded and the refunding bonds were issued by the Authority in a principal amount in excess of or less than such bonds remaining unpaid at the date of issuance of such refunding bonds, the Issuer shall be obligated to pay under item (i) above the principal amount of such refunding bonds outstanding, and, in the event the interest the Authority is required to pay on said refunding bonds is less than the Authority was required to pay on the bonds of the Authority, the Issuer shall be obligated to pay under item (ii) above the amount of interest to accrue on such outstanding bonds of the Authority; PROVIDED THAT the outstanding Sewer Revenue Bonds, Series A of this Issuer, dated May 1, 1972, issued in the original principal amount of $670,000 (the "HUD Bonds") sold to and held by the United States Department of Housing and Urban Development ("HUD") shall have priority for redemption prior to maturity.

This Bond is issued to finance a portion of the costs of construction and acquisition of new public service facilities for the collection, treatment, purification or disposal of liquid or solid wastes (the "System") in the territory to be served by the Issuer under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 13 A of Chapter 16 of the West Virginia Code of 1931, as amended (the "Act"), a Resolution duly adopted by the public service board of the Issuer on August 15, 1980, as supplemented by resolutions duly adopted by the public service board of the Issuer on August 28, 1981, May 28, 1982, June 23, 1982, and June 21, 1983 (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 this Bond and the HUD Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues to be derived from the operation of the System (as defined in the Bond Legislation), on a parity in all respects with the HUD Bonds, which 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 and a statutory mortgage lien pursuant to the Act on a parity with the aforesaid HUD Bonds. 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 thereon except from said special fund provided, and 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 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 130% of the amount required to pay the maximum amount due in any ensuing year of principal of and interest on all obligations payable from such revenues. The Issuer has entered into certain further covenants with the holders of this Bond for the terms of which reference is made to the Bond Legislation. Remedies provided the holders of this Bond are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of the Issuer kept for that purpose at the office of the Treasurer of the State of West Virginia, by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Treasurer of the State of West Virginia, duly executed by the Payee or its attorney duly authorized in writing. This Bond may be exchanged for an aggregate principal amount of coupon Bonds equal to the unpaid principal amount of this Bond, and having maturities corresponding with the principal installments of this Bond then unpaid.

This Bond is issued on a parity with respect to sources of and security for payment with the outstanding HUD Bonds of the Issuer, all as described in the Bond Legislation.

This Bond shall be exempt from all taxation by the State of West Virginia and the other taxing bodies of said State.

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 cost of the Project described in the Bond Legislation, including payment of the Notes authorized and issued pursuant to the Bond Legislation and any other indebtedness incurred by the Issuer for such purposes which is required to be paid from the moneys received from the sale of this Bond, or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder 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, GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 has caused this Bond to be signed by the Chairman of its public service board and its corporate seal to be hereunto affixed and attested by the Secretary of its public service board, all as of the _____ day of _____, 1983.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

SCHEDULE OF PAYMENTS

Year	Principal Installment	Interest Rate
1983	$ 5,000	10.00%
1984	5,000	10.00
1985	5,000	10.00
1986	5,000	10.00
1987	10,000	10.00
1988	10,000	10.50
1989	10,000	10.75
1990	15,000	11.00
1991	10,000	11.25
1992	15,000	11.50
1993	15,000	11.60
1994	20,000	11.70
1995	20,000	11.80
1996	25,000	11.90
1997	20,000	12.00
1998	25,000	12.00
1999	30,000	12.00
2000	35,000	12.00
2001	35,000	12.00
2002	40,000	12.00
2003	45,000	12.00
2004	55,000	12.00
2005	55,000	12.00
2006	65,000	12.00
2007	75,000	12.00
2008	80,000	12.00
2009	90,000	12.00
2010	105,000	12.00
2011	115,000	12.00
2012	130,000	12.00
2013	190,000	10.00
2014	205,000	10.00
2015	225,000	10.00
2016	250,000	10.00
2017	275,000	10.00
2018	300,000	10.00
2019	335,000	10.00

[Form of Payment Record]

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due After Payment	Interest Payment Rate	Date Paid	Name of Paying Agent Authorized Officer And Title
	$	$	$		

[Form of Assignment]

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

the within Bond of Greenbrier Public Service District No. 1, and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books of the said District with full power of substitution in the premises.

Dated:

_____

In the presence of:

_____

The text of the Series 1983 B Bond shall be of substantially the following form, with such omissions, insertions and variations as may be approved by the Chairman as evidenced by his execution thereof:

[Form of Series 1983 B Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWER REVENUE BOND, SERIES 1983 B

No. R-1 $910,000

KNOW ALL MEN BY THESE PRESENTS: That GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, a public service district and political subdivision of the State of West Virginia (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 "Payee"), or its registered assigns (the "Alternate Payee"), the sum of Nine Hundred Ten Thousand Dollars ($910,000), in 37 equal annual installments of $24,594.60 each, commencing October 1, 1983, and continuing on the first day of each October thereafter, to and including October 1, 2019, without interest.

The principal payments of this Bond are payable in any coin or currency which, on the respective dates of payment 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, through Kanawha Valley Bank, N.A., Charleston, West Virginia.

This Bond is subject to redemption prior to its stated date of maturity in whole or in part in inverse order of maturities at any time, at the price of the par value hereof or principal installments remaining to be paid, without premium, but only with the written consent of the West Virginia Water Development Authority (the "Authority") and subject to the condition that the outstanding Sewer Revenue Bonds, Series A, of the Issuer, dated May 1, 1972, issued in the original principal amount of $670,000 (the "HUD Bonds") sold to and held by the United States Department of Housing and Urban Development ("HUD") shall have priority for redemption prior to maturity.

This Bond is issued to finance a portion of the costs of construction and acquisition of new public service facilities for the collection, treatment, purification or disposal of liquid or solid wastes (the "System") in the territory to be served by the Issuer under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 13 A of Chapter 16 of the West Virginia Code of

1931, as amended (the "Act"), a Resolution duly adopted by the public service board of the Issuer on August 15, 1980, as supplemented by resolutions duly adopted by the public service board on August 28, 1981, May 28, 1982, June 23, 1982, and June 21, 1983 (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 may be entitled to be paid and secured prior to this Bond from the funds and revenues and other security provided for this Bond under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues to be derived from the operation of the System (as defined in the Bond Legislation) after there has first been paid from said Net Revenues all payments then due and owing on the HUD Bonds and the Series 1983 A Bond herein described, which Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same except from said special fund provided, and 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 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 130% of the amount required to pay the maximum amount due in any ensuing year of principal of and interest on all obligations payable from such revenues. The Issuer has entered into certain further covenants with the holders of this Bond for the terms of which reference is made to the Bond Legislation. Remedies provided the holders of this Bond are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of the Issuer kept for that purpose at the office of the Treasurer of the State of West Virginia, by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Treasurer of the State of West Virginia, duly executed by the Payee or its attorney duly authorized in writing.

This Bond shall be exempt from all taxation by the State of West Virginia and the other taxing bodies of said State.

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 cost of the Project described in the Bond Legislation, including payment of the Notes authorized and issued pursuant to the Bond Legislation and any other indebtedness incurred by the Issuer for such purposes which is required to be paid from the moneys received from the sale of this Bond, or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder of this Bond.

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO SOURCES OF AND SECURITY FOR PAYMENT TO THE OUTSTANDING SEWER REVENUE BOND, SERIES 1983 A, OF THE ISSUER, ISSUED CONCURRENTLY HEREWITH AND DESCRIBED IN THE BOND LEGISLATION, AND THE OUTSTANDING HUD BONDS.

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

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

IN WITNESS WHEREOF, GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 has caused this Bond to be signed by the Chairman of its public service board and its corporate seal to be hereunto affixed and attested by the Secretary of its public service board, all as of the _____ day of _____, 1983.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

[Form of Payment Record]

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due After Payment	Name of Paying Agent Authorized Officer And Title
	$	$	

[Form of Assignment]

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

the within Bond of Greenbrier Public Service District No. 1, and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books of the said District with full power of substitution in the premises.

Dated:

_____

In the presence of:

_____

Section 4. The Issuer does hereby expressly approve and ratify all modifications pertaining to the Bonds, the sources of and security for payment therefor and the establishment of funds as set forth in the Loan Agreement. The System Revenues and application thereof shall be as provided in Article IV of the Bond and Notes Resolution, except that debt service on the Series 1983 B Bonds shall not be paid from System Revenues until and unless, there is first paid by the Issuer:

(a) all reasonable operating expenses of the System;

(b) debt service on the Series 1982 A Bonds;

(c) debt service on the HUD Bonds;

(d) required deposits into the Reserve Account as provided in the Bond and Notes Resolution; and

(e) required deposits into the Renewal and Replacement Account as provided in the Bond and Notes Resolution.

All other provisions of the Bond and Notes Resolution shall apply equally to the Series 1983 A Bonds and the Series 1983 B Bonds, unless expressly modified in the Loan Agreement or this Bond Resolution.

Section 5. So long as any of the Bonds are outstanding, the Issuer covenants that:

(i) the Bonds shall be secured by the Net Revenues from the System;

(ii) the Series 1983 B Bonds shall be subordinate to the Series 1983 A Bonds and the HUD Bonds as to lien and source of payment.

(iii) 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 reasonable expenses of operation, repair and maintenance of the System and leave a balance each year equal to at least 130% of the maximum amount required for debt service on all obligations, including the Series 1983 A Bonds, Series 1983 B Bonds and the

HUD Bonds, payable from the revenues of the System;

(iv) the Issuer will complete, operate and maintain the System in good condition;

(v) the System will 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 the Bonds outstanding and are applied for such purpose, or, if such condition cannot be met, only upon receipt of the prior written consent of WDA to such sale;

(vi) the Issuer 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 Series 1983 A Bonds and the HUD 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 130% of the maximum debt service in any succeeding year on the Series 1983 A Bonds and parity bonds theretofore and then being issued; provided, however, that additional parity bonds may be issued to complete the Project without regard to the foregoing, and further provided that the Issuer may issue obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Series 1983 B Bonds, with the written consent of the Authority; provided further, however, that no parity bonds may be issued without the written consent of HUD, so long as any of the HUD Bonds are outstanding;

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

(viii) the Issuer will not render any free services of the System;

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

(x) all delinquent rates and charges, if not paid when due, shall become a lien on the premises served by the System;

(xi) in the event the Issuer owns a waterworks system (the "Water System"), it will, to the full extent permitted by law, discontinue and shut off the services and facilities of the System and the Water System to all delinquent users of 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, to the extent such action is permitted by law;

(xii) the Issuer will not grant any franchise to provide any services which would compete with the System;

(xiii) the Issuer shall annually cause the records of the System to be audited by a certified public accountant;

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

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

(xvi) except to the extent used to refund notes or other short-term indebtedness issued in anticipation thereof, the proceeds of the Bonds, except for accrued interest, shall be deposited in a construction fund on which the holder of the Bonds shall have a lien until such proceeds

are applied to the construction of a water development project; and

(xvii) that the Bond Legislation has been duly enacted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law.

Section 6. The Chairman and the Secretary of the public service board are hereby authorized and directed to execute and deliver the Bonds and such certificates and other documents required or desirable in connection with the issuance and delivery of the Bonds, and to take all other actions required by the Loan Agreement.

Section 7. The Paying Agent for the Bonds is hereby designated to be Kanawha Valley Bank, N.A., a national banking association with principal office in Charleston, West Virginia.

Section 8. The financing of the Project by the Bond issue is in the public interest, serves a public purpose and will promote the health, welfare and safety of the residents of the Issuer.

Section 9. The following amendment to the Loan Agreement is hereby authorized, adopted and approved, and the Secretary is hereby authorized to substitute a corrected page or pages in the Loan Agreement attached hereto, reflecting said amendment: Section 3.5 of the Loan Agreement is hereby amended to delete the existing Section 3.5 in its entirety and substitute therefor the following:

3.5 In the event the earnings on that portion of the proceeds of the 1982 Series A Bonds issued to purchase the Local Bonds are not sufficient to pay the interest accruing on said portion of the 1982 Series A Bonds pending issuance and delivery of the Local Bonds, the Governmental Agency agrees to pay to the Authority the amount of such deficiency.

Section 10. The following amendment to the Loan Agreement is hereby authorized, adopted and approved, and the Secretary is hereby authorized to substitute a corrected page or pages in the Loan Agreement attached hereto, reflecting said amendment: Schedule X to the Loan Agreement is hereby amended to delete the existing Schedule X in its entirety and substitute therefor the Schedule X attached hereto, as a part hereof as "Exhibit A" hereto.

The Chairman and Secretary are hereby authorized to execute and deliver such agreement or agreements with the Authority

as may be required by the Authority in connection with the amendment set forth herein and in Section 9 hereof.

Section 11. In order to clarify the transfer of obligations and moneys at the Closing for the Series 1983 Bonds, the following transactions will occur, all of which are hereby authorized, adopted and approved, notwithstanding any previous provision of the Bond Legislation to the contrary:

A. Upon closing, the Issuer shall deliver to the Authority:

(1) Its Series 1983 A and Series 1983 B Bonds, fully executed;

(2) A check in the amount of $35,333.91 for payment of "negative arbitrage" incurred by the Authority; and

(3) By wire transfer to Kanawha Valley Bank, N.A., for deposit in the Note Payment Fund for payment of a portion of the BAN, the sum of $337,697.78.

B. Upon closing, the Authority shall deliver to the Issuer:

(1) The sum of $2,390,000 as partial payment for the 1983 Series A Bond, which sum shall be and hereby is immediately assigned to the Authority for payment of a portion of the BAN.

(2) The sum of $910,000 as full payment for the 1983 Series B Bond, which sum shall be and hereby is immediately assigned to the Authority for payment of a portion of the BAN.

(3) A check in the amount of $102,750 for payment of the balance of the purchase price of the 1983 Series A Bond, all of which shall be applied to "Cost of Works," as defined in the Bond and Notes Resolution.

Section 12. This Supplemental Resolution shall be effective immediately.

Adopted June 21, 1983.

[SEAL]

Chairman

ATTEST:

Secretary

06/22/83
GNPSD1-B

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
(WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2006

BOND RESOLUTION

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GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 (WEST VIRGINIA)

A RESOLUTION AUTHORIZING THE REFUNDING OF THE SEWER REFUNDING REVENUE BONDS, SERIES 1996 OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2006, OF THE DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $4,000,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE DISTRICT, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PREPAYMENT AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

WHEREAS, Greenbrier Public Service District No. 1 (the "Issuer") presently owns and operates a public sewerage system (the "System") and has heretofore financed the acquisition and construction of the System and certain additions, extensions and improvements thereto by issuance of several series of bonds, of which there are presently outstanding the Sewer Refunding Revenue Bonds, Series 1996, dated June 15, 1996, originally issued in the aggregate principal amount of $4,420,000, of which approximately $3,420,000 is presently outstanding (the "Series 1996 Bonds"), and the Sewer Revenue Bonds, Series 1983 B, dated June 23, 1983, originally issued in the aggregate principal amount of $910,000, of which $344,324 is presently outstanding (the "Series 1983 B Bonds");

WHEREAS, the Series 1996 Bonds were issued pursuant to a resolution adopted by the Issuer on June 10, 1996, as amended and supplemented by a resolution (collectively, the "1996 Resolution");

WHEREAS, the Series 1983 B Bonds were issued pursuant to a resolution adopted by the Issuer on August 15, 1980, as amended and supplemented by a resolution (collectively, the"Prior Resolution");

WHEREAS, under the provisions of Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), the Issuer is authorized and empowered to issue refunding revenue bonds for the purpose of retiring or refinancing all or any part of the outstanding bonds;

WHEREAS, the Issuer is advised that present value debt service savings will be realized as a result of the refunding of the Series 1996 Bonds;

WHEREAS, the Issuer has determined and hereby determines that it would therefore be to the benefit of the Issuer and its customers to refund the Series 1996 Bonds and to redeem the Series 1996 Bonds on the Redemption Date (hereinafter defined), in the manner set forth herein with proceeds of the issuance of a series of bonds to be designated "Greenbrier Public Service District No. 1 (West Virginia) Sewer Refunding Revenue Bonds, Series 2006" (the "Series 2006 Bonds"), in the maximum aggregate principal amount of not more than $4,000,000, and other moneys of the Issuer, such Series 2006 Bonds to be secured by and payable from the Net Revenues (as hereinafter defined) of the System, on a parity with the Series 1983 B Bonds which shall not be refunded hereby and will remain outstanding, and containing such other terms and provisions as are hereinafter provided;

WHEREAS, the Issuer now desires to authorize the refunding of the Series 1996 Bonds as aforesaid, and to provide for the financing thereof by the issuance of the Series 2006 Bonds as hereinafter provided;

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1:

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

Section 1.01. Definitions. All capitalized terms used in this Resolution and not otherwise defined in the recitals hereto shall have the meanings specified below, 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 delivery of the Series 2006 Bonds.

"Authority" means the West Virginia Water Development Authority, the original purchaser of the Series 1983 B Bonds, or its successor.

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

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any Acting Chairman duly selected by the Governing Body.

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on any of the Series 2006 Bonds, and in the event the Series 2006 Bonds are insured, shall initially mean the Bond Insurer set forth in the Supplemental Resolution.

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

"Bonds" means, collectively, the Series 2006 Bonds, the Series 1983 B Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 2006 Bonds, in substantially the form set forth in EXHIBIT A hereto.

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

"Closing Date" means the date upon which there is an exchange of the Series 2006 Bonds for the proceeds representing the original purchase price thereof.

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

"Consulting Engineers" means any qualified engineer or engineers or firm or firms of engineers that shall at any time now or hereafter be retained by the Issuer as Consulting Engineers for the System, or portion thereof.

"Costs" or similar terms means all those costs now or hereafter permitted by the Act to be financed with bonds issued pursuant hereto, including, without limitation, the costs of refunding the Series 1996 Bonds (which amount shall reflect the determination of the Redemption Price of the Series 1996 Bonds), interest accruing or to accrue thereon, redemption premiums, premiums for municipal bond insurance and reserve account insurance and/or surety bonds, letter of credit fees, expenses for fiscal or other agents, legal expenses and any other costs or expenses necessary, incidental, desirable or appurtenant to the issuance of the Series 2006 Bonds and the refunding of the Series 1996 Bonds.

"Costs of Issuance Fund" means the Costs of Issuance Fund created by Section 4.01 hereof.

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

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

"DTC-eligible" means, with respect to the Series 2006 Bonds, meeting the qualifications prescribed by the Depository Trust Company, New York, New York.

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

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

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

"Governing Body" or "Board" means the public service board of the Issuer, as it may now or hereafter be constituted.

"Government Obligations" means direct and general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury), or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidences of ownership of proportionate interests in future interest and principal payments of such obligations; provided that, investments in such proportionate interests shall be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account separate from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated.

"Gross Revenues" means all rates, rents, fees, charges or other income (including, without limitation, sale proceeds) received by or accrued to the Issuer from the operation of the System, as calculated in accordance with generally accepted accounting principles.

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

"Issuer" means Greenbrier Public Service District No. 1, a public service district and public corporation and political subdivision of the State of West Virginia, in Greenbrier County of said State, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Municipal Bond Insurance Policy" means any municipal bond insurance policy issued by a Bond Insurer simultaneously with the delivery of the Series 2006 Bonds, insuring the payment of the principal of and interest on all or any of the Series 2006 Bonds in accordance with the terms thereof or any other bond insurance policy which may be issued on behalf of the Issuer to insure payment of the principal of and interest on all or any subsequent series of Bonds.

"1996 Resolution" shall have the meaning set forth in the recitals hereto.

"Net Proceeds" means the face amount of the Series 2006 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds deposited in the Series 2006 Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2006 Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

"Net Revenues" means the balance of the Gross Revenues remaining after deduction of Operating Expenses.

"Nonpurpose Investment" means any investment property which is acquired with the gross proceeds of the Series 2006 Bonds and is not acquired in order to carry out the governmental purpose of the Series 2006 Bonds.

"Operating Expenses" means the current expenses, paid or accrued, of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, insurance premiums, supplies, labor, wages, the cost of materials and supplies used for current operations, administrative expenses of the Issuer relating and chargeable to the System and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles.

"Original Purchaser" means Crews & Associates, Incorporated, Charleston, West Virginia, as the purchasers of the Series 2006 Bonds directly from the Issuer, or, if the Issuer and such Original Purchaser do not agree to the purchase of the Series 2006 Bonds with interest rates and other terms allowable under the Act, such other person or persons, firm or firms, bank or banks, corporation or corporations or such other entity or entities as shall purchase the Series 2006 Bonds directly from the Issuer, as determined by a resolution supplemental hereto; provided, that the Original Purchaser and the Issuer shall agree to the purchase of the Series 2006 Bonds, as hereinafter defined, including the exact principal amount thereof and interest rate or rates thereon as fixed by said supplemental resolution to be adopted by the Issuer at the time of approval of such sale of said Series 2006 Bonds.

"Outstanding," when used with reference to the Series 2006 Bonds and as of any particular date, describes all Bonds theretofore and thereupon being issued and delivered except (a) any Bond canceled by the registrar for such Bond at or prior to said date; (b) any Bond for the payment of which moneys, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this Resolution and set aside for such payment (whether upon or prior to maturity); (c) any Bond deemed to have been paid as provided by Section 9.01; and (d) with respect to determining the number or percentage of Bondholders or Bonds for the purpose of consents, notices and the like, any Bond registered to the Issuer. Notwithstanding the foregoing, in the event that a Bond Insurer has paid principal of and/or interest on any Bond, such Bond shall be deemed to be Outstanding until such time as a Bond Insurer has been reimbursed in full.

"Paying Agent" means the Bond Commission or other entity designated as such for the Series 2006 Bonds in the Supplemental Resolution, and any successor thereto appointed in accordance with Section 8.12 hereof.

"Prepayment Agreement" means the agreement to be entered into between the Issuer, the Bond Commission and the Paying Agent for the Series 1996 Bonds, providing for the defeasance of the Series 1996 Bonds, the deposit therein of proceeds of the Series 2006 Bonds, the disposition of moneys in the various funds and accounts of the Series 1996 Bonds under the 1996 Resolution and other matters in connection therewith, the form of which shall be approved by the Supplemental Resolution.

"Prior Resolution" shall have the meaning set forth in the recitals hereto.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, or in any activity carried on by a person other than a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, excluding, however, use

by a state or local governmental unit and use as a member of the general public. All of the foregoing shall be determined in accordance with the Code, including, without limitation, giving due regard to "incidental use," if any, of the proceeds of the issue and/or proceeds used for "qualified improvements," if any.

"Purchase Price," for the purpose of computation of the Yield of the Series 2006 Bonds, has the same meaning as the term "issue price" in Sections 1273(b) and 1274 of the Code, and, in general, means the initial offering price of the Series 2006 Bonds to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers), at which price a substantial amount of the Series 2006 Bonds of each maturity is sold or, if the Series 2006 Bonds are privately placed, the price paid by the first buyer of the Series 2006 Bonds or the acquisition cost of the first buyer. "Purchase Price," for purposes of computing Yield of Nonpurpose Investments, means the fair market value of the Nonpurpose Investments on the date of use of Gross Proceeds of the Series 2006 Bonds for acquisition thereof, or if later, on the date that Investment Property constituting a Nonpurpose Investment becomes a Nonpurpose Investment of the Series 2006 Bonds.

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

(a) Government Obligations;

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

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

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

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

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

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

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

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

"Record Date" means the day of the month which shall be so stated in the Series 2006 Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

"Redemption Date" means the date fixed for redemption of the Prior Bonds, the Series 2006 Bonds, or any other Bonds of the Issuer called for redemption.

"Redemption Price" means the price at which the Series 2006 Bonds, the Series 1996 Bonds or any other Bonds of the Issuer may be called for redemption and includes the principal of and interest on such Bonds to be redeemed, plus the premium, if any, required to be paid to effect such redemption.

"Registrar" means the bank to be designated in the Supplemental Resolution as the Registrar for the Series 2006 Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1954, as amended.

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

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

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

"Series 1996 Bonds" shall have the meaning set forth in the recitals hereto.

"Series 1983 B Bonds" shall have the meaning set forth in the recitals hereto.

"Series 1983 B Bonds Sinking Fund" means the Series 1983 B Bonds Sinking Fund established pursuant to the Prior Resolution.

"Series 1983 B Bonds Reserve Account" means the Series 1983 B Bonds Reserve Account established pursuant to the Prior Resolution.

"Series 1983 B Bonds Reserve Requirement" means the amount required to be on deposit in the Series 1983 B Bonds Reserve Account pursuant to the Prior Resolution.

"Series 2006 Bonds" means the Sewer Refunding Revenue Bonds, Series 2006, of the Issuer, originally authorized to be issued pursuant to this Resolution and the Supplemental Resolution.

"Series 2006 Bonds Redemption Account" means the Series 2006 Bonds Redemption Account established in the Series 2006 Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2006 Bonds Reserve Account" means the Series 2006 Bonds Reserve Account established in the Series 2006 Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2006 Bonds Reserve Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2006 Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2006 Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2006 Bonds.

"Series 2006 Bonds Sinking Fund" means the Series 2006 Bonds Sinking Fund established pursuant to Section 4.02 hereof.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution to be adopted by the Issuer following adoption of this Resolution, setting forth the final amounts, maturities, interest rates and other terms of the Series 2006 Bonds and authorizing the sale of the Series 2006 Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"System" means, collectively, the complete public service properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, in its entirety or any integral part thereof, and shall include any additions, betterments, improvements or

extensions thereto hereafter acquired or constructed from any sources whatsoever, both within and without the Issuer.

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

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

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations and vice versa; and words importing the masculine gender shall include the feminine and neuter genders and vice versa; and any requirement for execution or attestation of the Bond or any certificate or other document by the Chairman or the Secretary shall mean that such Bond, certificate or other document may be executed or attested by an Acting Chairman or Acting Secretary.

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

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

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

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

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

A. The Issuer is a public service district and public corporation and political subdivision of the State of West Virginia, in Greenbrier County of said State.

B. The Issuer now owns and operates the System, the acquisition and construction of which has been financed in part by the proceeds of the Series 1996 Bonds and the Series 1983 B Bonds.

C. The Issuer derives revenues from the System which are pledged for payment of the Series 1996 Bonds and the Series 1983 B Bonds. Except for such pledge thereof to secure and pay the Series 1996 Bonds and Series 1983 B Bonds, said revenues are not pledged or encumbered in any manner.

D. The Issuer intends to refund the Series 1996 Bonds in their entirety with proceeds of the Series 2006 Bonds and other funds of the Issuer, to issue the Series 2006 Bonds and to pledge the Net Revenues of the System for payment thereof on a parity with the Series 1983 B Bonds, which shall not be refunded and shall remain outstanding. The Issuer shall, prior to the issuance of the Series 2006 Bonds, obtain the written consent of the Authority to the issuance of the Series 2006 Bonds on a parity as to liens, pledge and source of and security for payment, and in all respects with the Series 1983 B Bonds and to the amendments made to the Prior Resolution by this Resolution.

E. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, upon refunding and defeasance of the Series 1996 Bonds, to provide for the repair, maintenance and operation of the System, the payment of principal of and interest on the Bonds and the Prior Bonds and to make all other payments provided for in this Resolution.

F. Based upon the assumed principal amount, maturity schedule and interest rates for the Series 2006 Bonds presented to the Issuer by the Original Purchaser, and after making allowance for the use of cash on hand of the Issuer, the Series 2006 Bonds show a net present value debt service savings to the Issuer after deducting all expenses of the refunding and the costs of issuing the Series 2006 Bonds.

G. The Issuer shall not sell the Series 2006 Bonds without setting forth in the Supplemental Resolution the determination set forth in paragraph F above, based upon the actual principal amount, maturity schedule and interest rates for the Series 2006 Bonds.

H. Subject to the determination and certification required by paragraph G above, it is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 2006 Bonds and secure the Series 2006 Bonds by a pledge and assignment of the Net Revenues derived from the operation of the System, the moneys in the Series 2006 Bonds Sinking Fund and the Series 2006 Bonds Reserve Account, unexpended proceeds of the Series 2006 Bonds and as further set forth herein.

I. The Issuer has complied with all requirements of West Virginia law relating to authorization of the ownership and operation of the System and issuance of the Series 2006 Bonds or will have so complied prior to issuance of any thereof.

J. The Series 2006 Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A - BOND FORM attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Resolution or a Supplemental Resolution or as deemed necessary by the Registrar or the Issuer.

K. All things necessary to make the Series 2006 Bonds, when authenticated by the Registrar and issued as in this Resolution provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Series 2006 Bonds, will be timely done and duly performed.

L. The adoption of this Resolution, and the execution and issuance of the Series 2006 Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

Section 1.04. Resolution Constitutes Contract. In consideration of the acceptance of the Series 2006 Bonds by those who shall own or hold the same from time to time, this Resolution 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 such Bondholders of any and all of such Series 2006 Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDING

Section 2.01. Authorization of Refunding. All Series 1996 Bonds Outstanding as of the date of issuance of the Series 2006 Bonds are hereby ordered to be refunded, and the pledge of Net Revenues in favor of the Holders of the Series 1996 Bonds imposed by the resolution authorizing the issuance thereof, the monies in the funds and accounts pledged to payment of the Series 1996 Bonds, and any other funds pledged to repayment of the Series 1996 Bonds are hereby ordered terminated, discharged and released upon the payment to the Paying Agent for deposit in the Series 1996 Bonds Sinking Fund from the proceeds of the Series 2006 Bonds and from other monies available therefor, of the following: (a) an amount equal to the fiscal and paying agent charges to become due and payable in connection with the Series 1996 Bonds; and (b) an amount which will provide for the payment of the principal of and interest on the Series 1996 Bonds, plus the premium, if any, as of the Closing Date. Contemporaneously with the deposit of the proceeds of the Series 2006 Bonds and other monies into the Series 1996 Bonds Sinking Fund, the amounts on deposit in the sinking fund, including the reserve account therein, created and maintained on behalf of the Series 1996 Bonds shall be released from the lien created by the resolution authorizing issuance thereof and deposited in the Series 2006 Bonds Sinking Fund, the Series 2006 Bonds Reserve Account or such other fund or account as shall be set forth in the Supplemental Resolution and invested as provided therein.

ARTICLE III

THE BONDS

Section 3.01. Form and Payment of Bonds. No Bond shall be issued pursuant to this Resolution except as provided in this Article III. Any Bonds issued pursuant to this Resolution after the issuance of the Series 2006 Bonds, as hereinafter provided, may be issued only as fully registered Bonds without coupons, in the denomination of $5,000 or any integral multiple thereof for any year of maturity. All Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Bonds surrendered.

The principal of and the premium, if any, on the Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Bonds shall be paid by check or draft made payable and mailed to the Holder thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $500,000 or more of the Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

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

Section 3.02. Execution of Bonds. The Bonds shall be executed in the name of the Issuer by the Chairman, by his or her manual or facsimile signature, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the 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 3.03. Authentication and Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in EXHIBIT A attached hereto and incorporated herein by reference with respect to the Series 2006 Bonds, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated,

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

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer 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, 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, 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 remains Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Bonds. Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

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

In all cases in which the privilege of transferring or exchanging a Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance. All Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Bonds, the initial exchange of Bonds and exchanges of Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Bonds, the Registrar may impose a service charge. For every such transfer or exchange of bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond, so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other

reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Bondholder listed in the Bond Register shall constitute proof of ownership. All Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer, by and through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender therefor.

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

Section 3.06. Term Bonds. In the event Term Bonds are issued pursuant to this Resolution, the following provisions shall apply:

A. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Series 2006 Bonds Redemption Account in accordance with Subsection 4.03A(2) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 12 months prior to the first mandatory Redemption Date of said Term Bonds, a sum equal to 1/12th of the amount required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory Redemption Date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

B. At its option, to be exercised on or before the 60th day next preceding any such mandatory Redemption Date, the Issuer may (a) deliver to the Registrar for cancellation such Term Bonds in any aggregate principal amount desired or (b) receive a credit in respect of its mandatory redemption obligation for any such Term Bonds which prior to said date have been redeemed (otherwise than pursuant to this section) and canceled by the Registrar and not theretofore applied as a credit against any such mandatory redemption obligation. Each Term Bond so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory Redemption Date, and Term Bonds delivered in excess of such mandatory redemption obligation shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

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

D. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Paying Agent may use the moneys in the Series 2006 Bonds Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Paying Agent shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall

be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory Redemption Date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

E. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the Redemption Date (interest to be paid from the Series 2006 Bonds Sinking Fund), as will exhaust as nearly as practicable such Series 2006 Bonds Redemption Account payment designated to be made in accordance with paragraph (A) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory Redemption Date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

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

So long as DTC (as CEDE & CO.) is the registered Owner of the Bonds, the Registrar shall send all notices of redemption to DTC and shall verify that DTC has received notice. Copies of all redemption notices relating to optional redemption of the Series 2006 Bonds shall also be sent to registered securities depositories and to *Standard & Poor's Called Bond Record.*

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

(1) The Redemption Date,

(2) The Redemption Price,

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

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

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

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

If funds sufficient to redeem all Bonds called for optional redemption have not been deposited with the Paying Agent at the time of mailing any notice of optional redemption, such notice shall also state that such optional redemption is subject to the deposit of such moneys with the Paying Agent on or before the Redemption Date. If such moneys are not so deposited, the Registrar shall notify all holders of Bonds called for redemption of such fact.

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

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

Section 3.08. Persons Treated as Owners. The Issuer, the Registrar and any agent of the Issuer or the Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of the principal of, and interest on, such Bond and for all other purposes, whether or not such Bond is overdue.

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

Section 3.10. Authorization of Bonds. For the purposes of paying a portion of the costs of refunding all of the Outstanding Series 1996 Bonds of the Issuer, funding the Series 2006 Bonds Reserve Account and paying costs in connection therewith, there shall be issued the Series 2006 Bonds of the Issuer, in an aggregate principal amount

of not more than $4,000,000. Said Series 2006 Bonds shall be designated "Sewer Refunding Revenue Bonds, Series 2006" and shall be issued in fully registered form, in the denomination of $5,000 or any integral multiple thereof for any year of maturity, not exceeding the aggregate principal amount of Series 2006 Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 2006 Bonds shall be numbered from R-1 consecutively upward. The Series 2006 Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Bonds. A. The Series 2006 Bonds shall initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2006 Bonds of each maturity, registered in the name of CEDE & CO., as nominee of DTC. Except as provided in paragraph E below, all of the Series 2006 Bonds shall be registered in the registration books kept by the Registrar in the name of CEDE & CO., as nominee of DTC; provided that if DTC shall request that the Series 2006 Bonds be registered in the name of a different nominee, the Registrar shall exchange all or any portion of the Series 2006 Bonds registered in the name of such nominee or nominees. No person other than DTC or its nominee shall be entitled to receive from the Issuer or the Registrar either a Series 2006 Bond or any other evidence of ownership of the Series 2006 Bonds, or any right to receive any payment in respect thereof unless DTC or its nominee shall transfer record ownership of all or any portion of the Series 2006 Bonds on the registration books maintained by the Registrar, in connection with discontinuing the book entry system as provided in paragraph E below.

B. At or prior to settlement for the Series 2006 Bonds, the Issuer and the Registrar shall execute or signify their approval of a representation letter addressed to DTC in a form satisfactory to DTC (the "Representation Letter"). Any successor Registrar shall, in its written acceptance of its duties under this Resolution, agree to take any actions necessary from time to time to comply with the requirements of the Representation Letter.

C. So long as the Series 2006 Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or Redemption Price of or interest on such Series 2006 Bonds shall be made to DTC or its nominee at the addresses set forth in the Representation Letter in New York Clearing House or equivalent next day funds on the dates provided for such payments to be made to any Bondholder under this Resolution. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the Issuer and the Registrar with respect to the principal or Redemption Price of or interest on the Series 2006 Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Series 2006 Bonds Outstanding of any maturity, the Registrar shall not require surrender by DTC of the Series 2006 Bonds so redeemed, but DTC may return such Series 2006 Bonds and make an appropriate notation on the Series 2006 Bond certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Registrar, upon request, a written confirmation of such partial redemption. The records maintained by the Registrar shall be conclusive as to the amount of the Series 2006 Bonds of such maturity which have been redeemed.

D. The Issuer, the Paying Agent and the Registrar may treat DTC as the sole and exclusive owner of the Series 2006 Bonds registered in its name or the name of its nominee for the purposes of payment of the principal or Redemption Price of or interest on the Series 2006 Bonds, selecting the Series 2006 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under this Resolution, registering the transfer of Series 2006 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Issuer nor the Registrar shall be affected by any notice to the contrary. Neither the Issuer nor the Registrar shall have any responsibility or obligation to any direct or indirect participant in DTC, any person claiming a beneficial ownership interest in the Series 2006 Bonds under or through DTC or any such participant, or any other person which is not shown on the registration books of the Registrar as being a Bondholder with respect to (i) the Series 2006 Bonds, (ii) the accuracy of any records maintained by DTC or any such participant, (iii) the payment by DTC or any such participant of any amount in respect of the principal or Redemption Price of or interest on the Series 2006 Bonds, (iv) any notice which is permitted or required to be given to Bondholders under this Resolution, (v) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Series 2006 Bonds or (vi) any consent given or other action taken by DTC as Bondholder.

E. The book entry system for registration of the ownership of the Series 2006 Bonds may be discontinued at any time if either: (i) DTC determines to resign as securities depository for the Series 2006 Bonds; or (ii) the Issuer determines that continuation of the system of book entry transfers through DTC (or through a successor securities depository) is not in the best interest of the beneficial owners of the Series 2006 Bonds. In either of such events (unless in the case described in clause (ii) above, the Issuer appoints a successor securities depository), the Series 2006 Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of the Issuer or the Registrar for the accuracy of such designation. Whenever DTC requests the Issuer and the Registrar to do so, the Issuer and the Registrar shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Series 2006 Bonds.

Section 3.12. Delivery of Bonds. The Issuer shall execute and deliver the Series 2006 Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2006 Bonds to the Original Purchaser upon receipt of the documents set forth below:

(A) A list of the names in which the Series 2006 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(B) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2006 Bonds to the Original Purchaser;

(C) Copies of this Resolution and the Supplemental Resolution certified by the Secretary;

(D) The unqualified approving opinion upon the Series 2006 Bonds by Bond Counsel; and

(E) Such other documents, certifications and verifications as the Original Purchaser may reasonably require.

Section 3.13. Form of Bonds. The definitive Series 2006 Bonds shall be in substantially the form set forth in EXHIBIT A - BOND FORM attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2006 Bonds on behalf of the Issuer and execution thereof by such officers shall constitute conclusive evidence of such approval, and the definitive Series 2006 Bonds shall have the form of the opinion of Steptoe & Johnson, as Bond Counsel, attached thereto or printed on the reverse thereof.

Section 3.14. Disposition of Proceeds of Bonds. Upon the issuance and delivery of the Series 2006 Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

A. All interest accrued on the Series 2006 Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2006 Bonds Sinking Fund and applied to payment of interest on the Series 2006 Bonds at the first interest payment date, if any.

B. The amount of the Series 2006 Bond proceeds which, together with other moneys or securities deposited therein and the earnings thereon, shall be sufficient to accomplish the refunding and defeasance of the Series 1996 Bonds (which amount shall be set forth in the Prepayment Agreement) shall be deposited in the Series 1996 Sinking Fund held by the Bond Commission.

C. The amount of Series 2006 Bond proceeds equal to the Series 2006 Bonds Reserve Requirement shall be remitted to the Bond Commission and deposited in the Series 2006 Bonds Reserve Account; provided that, to the extent the Series 2006 Bonds Reserve Requirement is satisfied in whole or in part from proceeds of any fund or account established for the Series 1996 Bonds pursuant to the 1996 Resolution, Series 2006 Bond proceeds shall be deposited in the Series 2006 Bonds Reserve Account only to the extent needed to satisfy the balance of the Series 2006 Bonds Reserve Requirement.

D. The balance of the proceeds of the Series 2006 Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2006 Bonds and miscellaneous costs of refunding the Series 1996 Bonds at the written direction of the Issuer. Moneys not to be applied immediately to pay such costs of issuance and refunding may be invested in accordance with this Resolution, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 6 months after the Closing

Date, such unapplied proceeds shall be transferred by the Issuer to the Series 2006 Bonds Redemption Account established in Section 4.02 hereof. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such moneys until so applied in favor of the Holders of the Series 2006 Bonds from which such proceeds are derived. All costs of issuance shall be paid within 90 days following the Closing Date and all moneys then remaining in the Costs of Issuance Fund shall be disbursed to the Issuer whereupon they may be used for any legal purpose of the System.

Section 3.15. Designation of Bonds as "Qualified Tax-Exempt Obligations". The Issuer hereby designates the Series 2006 Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Series 2006 Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 2006 Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2006.

ARTICLE IV

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

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

(2) Renewal and Replacement Fund (established by the Prior Resolution);

(3) Costs of Issuance Fund; and

(4) Rebate Fund.

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

(1) Series 2006 Bonds Sinking Fund;

(a) Within the Series 2006 Bonds Sinking Fund;

(i) Series 2006 Bonds Reserve Account; and

(ii) Series 2006 Bonds Redemption Account.

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

A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Resolution 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. All Revenues at any time remaining on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

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

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Paying Agent (i) for deposit in the Series 1983 B Bonds Sinking Fund, the amounts required by the Prior Resolution for payment of interest on the Series 1983 B Bonds, and (ii) beginning on the first day of that month which is 6 months prior to the first interest payment date on the Series 2006 Bonds, for deposit in the Series 2006 Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2006 Bonds on the next ensuing semiannual interest payment date, provided, that in the event the period to elapse between the date of such initial deposit in the Series 2006 Bonds Sinking Fund and the next ensuing semiannual interest payment date is less than or greater than 6 months, then such monthly payments shall be increased or decreased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date, and provided further, that the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2006 Bonds Sinking Fund shall be reduced by the amount of accrued interest on the Series 2006 Bonds deposited therein and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2006 Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2006 Bonds Sinking Fund.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Paying Agent (i) for deposit in the Series 1983 B Bonds Sinking Fund, the amounts required by the Prior Resolution for payment of principal on the Series 1983 B Bonds and (ii) beginning on the first day of that month which is 12 months prior to the first principal payment date or mandatory redemption date of the Series 2006 Bonds, for deposit in the Series 2006 Bonds Sinking Fund and in the Series 2006 Bonds Redemption Account therein in the case of Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount of principal which will mature or be redeemed and become due on the Series 2006 Bonds on the next ensuing principal payment date or mandatory redemption date, provided, that in the event the period to elapse between the date of such initial deposit in the Series 2006 Bonds Sinking Fund and the next ensuing principal payment date or mandatory redemption date is less than or greater than 12 months, then such monthly payments shall be increased or decreased proportionately to provide, 1 month prior to the next ensuing principal payment date or mandatory redemption date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2006 Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Paying Agent for deposit into the Series 2006 Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Series 2006 Bonds Reserve Account below the Series 2006 Bonds Reserve Requirement or any withdrawal from the Series 2006 Bonds Reserve Account, beginning with the first full calendar

month following the date on which (a) the valuation of investments in the Series 2006 Bonds Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2006 Bonds Reserve Account is less than the Series 2006 Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2006 Bonds Reserve Account for deposit into the Series 2006 Bonds Sinking Fund. To the extent Net Revenues and any other legally available funds are available therefor, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2006 Bonds Reserve Account to an amount equal to the Series 2006 Bonds Reserve Requirement to the full extent that such Net Revenues are available; provided, that no payments shall be required to be made into the Series 2006 Bonds Reserve Account whenever and as long as the amount deposited therein shall be equal to the Series 2006 Bonds Reserve Requirement.

(5) From the moneys remaining in the Revenue Fund, the Issuer shall next, on the first day of each month (as previously set forth in the Prior Resolution and not in addition thereto), transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any reserve account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in Qualified Investments. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any deficiencies in any reserve account (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required) shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

Moneys in the Series 2006 Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2006 Bonds as the same shall become due, whether by maturity or redemption prior to maturity. Pending such use, such moneys shall be invested in accordance with Article V.

The Issuer shall not be required to make any further payments into the Series 2006 Bonds Sinking Fund when the aggregate amount of funds in the Series 2006 Bonds Sinking Fund, including the Series 2006 Bonds Reserve Account therein, is at least equal to the aggregate principal amount of Series 2006 Bonds issued pursuant to this Resolution then Outstanding, plus the amount of interest due or thereafter to become due on the Series 2006 Bonds then Outstanding.

As and when additional Bonds ranking on a parity with the Series 2006 Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at or before maturity and to accumulate a balance in the respective reserve account in an amount equal to

the maximum amount of principal and interest which will become due in any year for account of such additional parity Bonds.

The payments into the Series 2006 Bonds Sinking Fund shall be made on the first day of each month, except that, when the first day of any month shall be a Saturday, Sunday or legal holiday, then such payments shall be made on the next succeeding business day, and all such payments shall be remitted to the Paying Agent with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Resolution.

Principal and interest payments, and any payments made for the purpose of funding any reserve account, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 1983 B Bonds and the Series 2006 Bonds in accordance with the respective principal amounts then Outstanding.

Amounts in the Series 2006 Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2006 Bonds when due, when amounts in the Series 2006 Bonds Sinking Fund are insufficient therefor and for no other purpose.

The Issuer shall restore any withdrawals from the Series 2006 Bonds Reserve Account which have the effect of reducing the assets therein below the Series 2006 Bonds Reserve Requirement from the first Net Revenues available after all other required payments to the Series 1983 B Bonds Sinking Fund and the Series 2006 Bonds Sinking Fund, including any deficiencies for prior payments, have been made in full; provided, that the Issuer shall not be required to restore such deficiency when the aggregate amount of funds in the Series 1983 B Bonds Sinking Fund and the Series 2006 Bonds Sinking Fund, including the respective Reserve Account therein, is at least equal to the aggregate amount of Bonds then Outstanding, plus the amount of interest due or thereafter to become due on the Bonds then Outstanding.

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 the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into the Series 1983 B Bonds Sinking Fund and the Series 2006 Bonds Sinking Fund, including the respective Reserve Accounts therein, and the Renewal and Replacement Fund during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

C. The Issuer shall remit from the Revenue Fund to the Bond Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Paying Agent, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay any charges and 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 Net 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. The Paying Agent is hereby designated as the fiscal agent for the administration of the Series 2006 Bonds Sinking Fund created hereunder, and all amounts required for the Series 2006 Bonds Sinking Fund shall be remitted to the Paying Agent from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Paying Agent 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.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE; REBATES OF EXCESS INVESTMENT EARNINGS

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

Except as provided below, any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The Issuer shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Issuer may make any and all investments permitted by this section through the bond department of the Depository Bank. The Depository Bank shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

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

(A) Qualified Investments acquired for the Series 2006 Bonds Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 5 years from the date of such investment.

(B) The Issuer shall, or shall cause the Paying Agent to semiannually transfer from the Series 2006 Bonds Reserve Account to the Series 2006 Bonds Sinking Fund, any earnings on the moneys deposited therein and any other funds in excess of the requirement therefor; provided, however, that there shall at all times remain on deposit in the Series 2006 Bonds Reserve Account an amount at least equal to the requirement therefor.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from the Series 2006 Bonds Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in the Series 2006 Bonds Reserve Account

shall, at any time, be less than the applicable requirement therefor, the Bond Insurer, if any, shall be notified immediately of such deficiency, such deficiency shall be made up from the first available Net Revenues after required deposits to the Series 2006 Bonds Sinking Fund and the Series 1983 B Bonds Sinking Fund have been made.

(D) All amounts representing accrued and capitalized interest shall be held by the Paying Agent, pledged solely to the payment of interest on the Series 2006 Bonds and invested only in Government Obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged.

(E) Notwithstanding the foregoing, all moneys deposited in the Series 2006 Bonds Sinking Fund may be invested by the Paying Agent in the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6(c) of the West Virginia Code of 1931, as amended.

Section 5.02. Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Series 2006 Bonds in such manner and to such extent as may be necessary, so that the Series 2006 Bonds will not constitute "arbitrage bonds" under Section 148 of the Code and Regulations prescribed thereunder, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 2006 Bonds) so that the interest on the Series 2006 Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 5.03. Tax Certificate and Rebate. A. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the Series 2006 Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2006 Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

B. The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or

account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect, with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and the required amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Series 2006 Bonds from gross income for federal income tax purposes.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Resolution shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2006 Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Resolution, the Issuer hereby covenants and agrees with the Holders of the Series 2006 Bonds, as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2006 Bonds, or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds not to be Indebtedness of the Issuer. The Series 2006 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 Net Revenues of the System, the moneys in the Series 2006 Bonds Sinking Fund and the Series 2006 Bonds Reserve Account therein, and the unexpended proceeds of the Series 2006 Bonds, all as herein provided. No Holder or Holders of the Series 2006 Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2006 Bonds or the interest thereon.

Section 6.03. Bonds Secured by Parity Pledge of Net Revenues and Moneys in Sinking Fund. The payment of the debt service of all of the Series 2006 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, on a parity with the lien on the Net Revenues in favor of the Holders of the Series 1983 B Bonds, and all moneys and securities in the Series 2006 Bonds Sinking Fund, including the Series 2006 Bonds Reserve Account therein. The Net Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Series 2006 Bonds herein authorized, and to make the payments into the Series 2006 Bonds Sinking Fund, all moneys and securities in the Series 2006 Bonds Sinking Fund, including the Series 2006 Bonds Reserve Account therein, and all other payments provided for in this Resolution, are hereby irrevocably pledged in the manner provided in this Resolution to the payment of the principal of and interest on the Series 2006 Bonds herein authorized as the same become due and for the other purposes provided in this Resolution.

Section 6.04. Rates. Prior to the issuance of the Series 2006 Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates

and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) as long as the Series 2006 Bonds are outstanding, to leave a balance each year equal to at least 115% of the annual debt service on the Series 2006 Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Series 2006 Bonds, including the Series 1983 B Bonds.

The Issuer shall require that each annual audit contain a statement of the auditor that the Issuer either is or is not in compliance with the rate covenant contained in this Section 6.04. In the event that any audit contains a statement that the Issuer is not in compliance with the rate covenant contained in this Section 6.04, the Issuer hereby covenants that it shall, with in sixty (60) days of receiving the audit report, file a request with the Public Service Commission of West Virginia for a rate increase sufficient to comply with the above-mentioned rate requirement.

Section 6.05. Operation and Maintenance. The Issuer will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the Revenues of said System in the manner provided herein.

Section 6.06. Sale of the System. So long as the Series 1983 B Bonds are Outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Resolution. Additionally, so long as the Series 2006 Bonds are Outstanding, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all Bonds Outstanding. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to Paying Agent for deposit in the respective sinking funds, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Issuer by the Paying Agent unless necessary for the payment of other obligations of the Issuer payable out of the Revenues of the System.

The foregoing provisions notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other

disposition of such property, if the amount to be received therefor, is not in excess of $50,000, the Issuer shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $50,000 but not in excess of $200,000, the Issuer shall first, in writing, determine with the written approval of the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $50,000 and not in excess of $200,000, shall be remitted by the Issuer to the Paying Agent for deposit in the respective Sinking Fund. Such payment of such proceeds into the respective Sinking Fund or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions hereof.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of $200,000 and insufficient to pay all Bonds Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except additional parity Bonds provided for in Section 6.08 hereof, payable from the Revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Net Revenues with the Bonds; and all obligations hereafter issued by the Issuer payable from the Net 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 then Outstanding; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Resolution and the Prior Resolution at the time of the issuance of such subordinate obligations have been made and are current.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to such additional parity Bonds, being on a parity with the lien of the 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 Resolution or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. So long as the Series 1983 B Bonds are Outstanding, the limitations on the issuance of parity obligations set forth in the Prior Resolution shall be applicable. In addition, no additional parity Bonds payable out of the Revenues of the System shall be issued after the issuance of any Bonds pursuant hereto, except under the conditions and in the manner herein provided.

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

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

(1) The Bonds then Outstanding;

(2) Any additional parity Bonds theretofore issued pursuant to the provisions contained herein then Outstanding; and

(3) The additional parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds, and (b) any increase in rates adopted by the Issuer and approved by the Public Service Commission of West Virginia, the period for appeal of which has expired prior to the date of delivery of such additional parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer and approved by the Public Service Commission of West Virginia, the period for appeal of which has expired prior to issuance of such additional parity Bonds.

The District may issue Additional Parity Bonds without compliance with any other conditions for the purpose of refunding prior to maturity any of the Series 2006 Bonds, or portion thereof, if the aggregate debt service on said additional parity refunding Bonds and such additional parity refunding Bonds that will remain outstanding following such issuance will not exceed in any year that such additional parity refunding Bonds remain outstanding the debt service that would have been required in such year had the Bonds to be refunded by such additional parity refunding Bonds not been refunded.

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

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

All additional 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 liens 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 additional parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for herein and in the Prior Resolution with respect to the Bonds then Outstanding, and any other payments provided for herein and in the Prior Resolution, shall have been made in full as required to the date of delivery of such additional parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms herein and in the Prior Resolution.

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

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the 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 and destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer during construction 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 OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Issuer and such payment bonds will be filed with the Clerk of the County Commission of the County in which such work is to be performed prior to commencement of construction of any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

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

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

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

Section 6.10. 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 thereof shall avail himself 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 6.11. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rates, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the 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 changes, 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 waterworks system, if so owned by the Issuer, to all delinquent users of services and facilities of the System and will not restore such services of the System (or waterworks 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. If the waterworks system is not owned by the Issuer, the Issuer shall enter into a termination agreement with the water provider, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

Section 6.12. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of any franchise or permit to any person, firm, corporation or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.13. 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 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, to the extent allowable under and in accordance with the rules and regulations of the Public Service Commission of West Virginia and the Act. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner, on the forms, in the books and along with other bookkeeping records as prescribed by the Issuer. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as it shall direct.

The Issuer shall file with the Original Purchaser and any Bond Insurer, and shall mail to any Bondholder requesting the same, an annual report within 30 days following the date of receipt of the final audit containing a balance sheet, statement of revenues, expenses, and changes in retained earnings, and statement of cash flows, as prescribed by generally accepted accounting principles.

The Issuer shall also file with the Original Purchaser and any Bond Insurer, and mail to any Bondholder requesting the same, an annual report containing the following:

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

(B) A statement of account balances in all funds and accounts provided for herein and status of said funds.

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

Section 6.14. Operating Budget. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, or at such earlier date required by the charter of the Issuer, prepare and adopt by resolution a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such

increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of such a registered professional engineer 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 Original Purchaser and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser, any Bond Insurer and to any Bondholder or anyone acting for and in behalf of such Bondholder who requests the same.

Section 6.15. 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 waterborne 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, 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 and every such owner, tenant or occupant shall, after a 30-day notice of the availability of sewerage services of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or waterborne 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 residents 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 6.16. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2006 Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2006 Bonds, and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Series 1983 B Bonds.

Section 6.17. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2006 Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2006 Bonds during the term thereof is, under the terms of the

Series 2006 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2006 Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2006 Bonds during the term thereof is, under the terms of the Series 2006 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2006 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Series 2006 Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2006 Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2006 Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2006 Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2006 Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 6.18. Municipal Bond Insurance Policy. The Issuer may apply for a Municipal Bond Insurance Policy for the Series 2006 Bonds and subsequent series of Bonds. In the event a Municipal Bond Insurance Policy is obtained for any series of Bonds, additional covenants and provisions relating to such series of Bonds as may be required by the applicable Bond Insurer as a condition to insuring such Bonds shall be set forth in a

Supplemental Resolution and shall be controlling in the event any other provisions of this Resolution may be in conflict therewith.

ARTICLE VII

DEFAULTS AND REMEDIES

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

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

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

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

(D) If default occurs with respect to the Series 1983 B Bonds or the Prior Resolution.

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

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

(B) By mandamus or other appropriate proceeding enforce all rights of the Bondholders, including the right to require the Issuer to perform its duties under the Act and this Resolution;

(C) Bring suit upon the Bonds;

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

(E) By action or bill in equity enjoin any acts in violation of this Resolution or the rights of the Bondholders.

No remedy by the terms of this Resolution conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Bondholders hereunder or now or hereafter existing at law or by statute. All rights and remedies of the Holders of the Series 2006 Bonds shall be on a parity with those of the Holders of the Series 1983 B Bonds.

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

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

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Bondholder or any Bond Insurer 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 the principal of and interest on the Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Resolution and the Act.

The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of all facilities of the System and shall hold, operate, 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 issued pursuant to this Resolution and interest thereon and under any covenants of this Resolution for reserve, sinking or other funds and accounts and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the Revenues of the System shall have been paid and made good, and all defaults under the provisions of this Resolution 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 Bondholder shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby

and a successor receiver appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and the Holders of the Bonds issued pursuant to this Resolution. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System, for the sole purpose of the protection of both the Issuer and the Bondholders, and the curing and making good of any default under the provisions of this Resolution, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the System.

Notwithstanding any other provision of this Resolution, in determining whether the rights of Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Resolution, any trustee or Bondholder's committee shall consider the effect on the Bondholders as if no Municipal Bond Insurance Policy were then in effect.

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

ARTICLE VIII

REGISTRAR AND PAYING AGENT

Section 8.01. Appointment of Registrar. The Registrar for the Series 2006 Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Registrar, the substantial form of which agreement is to be approved by Supplemental Resolution.

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

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

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

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

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Resolution by giving not less than 60 days' written notice to the Issuer and publishing in an Authorized Newspaper notice (or mailing such notice to each Bondholder in the event all Bonds are fully registered), specifying the date when such resignation shall take effect, within 20 days after the giving of such written notice. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or bondholders, in which event such resignation shall take effect immediately.

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

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

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

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

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

Section 8.12. Paying Agent. The Bond Commission shall serve as the Paying Agent. Any alternate Paying Agent must be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Resolution. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Bonds shall be and remain DTC-eligible.

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

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

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

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

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

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF RESOLUTION

Section 9.01. Defeasance; Discharge of Pledge of Resolution. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 2006 Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then this Resolution and the pledges of the Net Revenues and other moneys and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Holders of the Series 2006 Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied, except as may be necessary to assure the exclusion of interest on the Series 2006 Bonds from gross income for federal income tax purposes.

The Series 2006 Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on the Series 2006 Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2006 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 Paying Agent or an escrow trustee either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on the Series 2006 Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of the Series 2006 Bonds prior to the maturity thereof, on and prior to said Redemption Date. Neither securities nor moneys deposited with the Paying Agent or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Series 2006 Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Paying Agent or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on the Series 2006 Bonds on and prior to such maturity or Redemption Dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Paying Agent or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations, as such term is limited by the provisions in Section 1.01 hereof or such additional securities as shall be set forth in the Supplemental Resolution.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Resolution. Prior to issuance of the Series 2006 Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. All provisions required by the Bond Insurer, if any, shall be set forth in the Supplemental Resolution and to the extent they constitute an amendment or modification of the Resolution, shall be controlling. Following issuance of the Series 2006 Bonds, this Resolution and any Supplemental Resolution may be amended or modified without the consent of any Bondholder or other person, so long as such amendment or modification is not materially adverse to any Bondholder, as determined by an opinion of Bond Counsel. In the event any of the Bonds are insured, no such amendment or modification which adversely affects the security for such Bonds or the rights of any Bond Insurer for such Bonds may be effected without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Resolution, or of any Supplemental Resolution, may be made without the written consent of the Holders of 60% in aggregate principal amount of the Series 2006 Bonds then Outstanding and affected thereby and such Bond Insurer, which must be filed with the Issuer before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Series 2006 Bond without the express written consent of the Holder of each Series 2006 Bond so affected, nor reduce the percentage of Series 2006 Bonds required for consent to any such modification or amendment.

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

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

Issuer or the Registrar, as the case may be, that the person signing such instrument acknowledged to such bank, trust company, firm or corporation the execution thereof.

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

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

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

Section 10.03. Preservation and Inspection of Documents. To the extent allowable under law, all reports, certificates, statements and other documents received by the Registrar under the provisions of this Resolution shall be retained in its possession and shall be available at all reasonable times for the inspection of the Issuer or any Bondholder, and their agents and their representatives, but any such reports, certificates, statements or other documents may, at the election of the Registrar, be destroyed or otherwise disposed of at any time after such date as the pledge created by this Resolution shall be discharged as provided in Section 9.01.

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

Section 10.05. Failure to Present Bonds. Anything in this Resolution to the contrary notwithstanding, any moneys held by the Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for 1 year after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall at the written request of the Issuer be paid by the Paying Agent to the Issuer as its absolute property and free from trust, and the Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a notice that such moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than

30 days after the date of such notice is mailed, the balance of such moneys then unclaimed will be returned to the Issuer. If any of said Bonds is a coupon Bond, the Registrar or said Paying Agent shall also publish such notice, not less than 30 days prior to the date such moneys will be returned to the Issuer, in an Authorized Newspaper.

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

ISSUER

Greenbrier Public Service District No. 1
119 West Washington Street
Lewisburg, West Virginia 24901
Attention: Chairman

PAYING AGENT

West Virginia Municipal Bond Commission
8 Capitol Street, Suite 500, Terminal Building
Charleston, West Virginia 25301

DEPOSITORY BANK

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

ORIGINAL PURCHASER

Crews & Assoicates, Inc.
Post Office Box 2764
Charleston, West Virginia 25530-2764

BOND INSURER

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

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

Section 10.07. No Personal Liability. No member of the Issuer or officer or employee of the Issuer shall be individually or personally liable for the payment of the

principal of or the interest on any Bond, but nothing herein contained shall relieve any such member, official or employee from the performance of any official duty provided by law or this Resolution.

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Resolution and of all Bonds issued hereunder.

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

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

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

Section 10.12. Conflicting Provisions Repealed. All orders, resolutions or parts thereof in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict between this Resolution and the Prior Resolution, the Prior Resolution shall control (unless less restrictive), so long as the Series 1983 B Bonds are Outstanding.

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

Section 10.14. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 20th day of October, 2006.

Dan L. Withrow
Chairman

CERTIFICATION

Certified a true, correct and complete copy of a Resolution duly adopted by the Public Service Board of Greenbrier Public Service District No. 1 on the 20th day of October, 2006.

Dated this 15th day of November, 2006.

[SEAL]

Doug Warren

Secretary, Public Service Board

EXHIBIT A - BOND FORM

No. R-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
(WEST VIRGINIA)
SEWER REFUNDING REVENUE BOND,
SERIES 2006

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 (West Virginia), a public service district and public corporation and political subdivision of the State of West Virginia in Greenbrier County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning October 1, 2006 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by _____, _____, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in _____, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated "Greenbrier Public Service District No. 1 (West Virginia) Sewer Refunding Revenue Bonds, Series 2006" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 1, 2006, the proceeds of which are to be used, together with other funds of the Issuer, to refund in full the Sewer Refunding Revenue Bonds, Series 1996, dated June 15, 1996, and the Sewer Revenue Bonds, Series 1983 A, dated June 23, 1983, of the Issuer outstanding in the total aggregate principal amount of $_____ (collectively, the "Series 1996 Bonds"), which Series 1996 Bonds were issued to finance the cost of construction of certain additions, betterments and improvements to the public sewerage system of the Issuer. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a resolution duly adopted by the Issuer on _____, 2006, and supplemented by a supplemental resolution duly adopted by the Issuer on _____, 2006 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution 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 Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Resolution are on file at the office of the Issuer.

The Bonds are additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of municipal bond insurance issued by _____.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1983 B, DATED JUNE 23, 1983, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $910,000 (THE "SERIES 1983 B BONDS").

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

(A) Optional Redemption. The Bonds maturing on or after _____, _____ are subject to redemption prior to maturity at the option of the Issuer on and after _____, _____, in whole at any time and in part on any Interest Payment Date, as directed by the Issuer, at the following Redemption Prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price

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

Bonds Maturing

Year ( )	Principal Amount

Bonds Maturing

Year ( )	Principal Amount

* Final Maturity

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

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

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

The Bonds and the interest thereon are payable only from and are secured by the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the Series 1983 B Bonds and from all moneys in the Series 2006 Bonds Sinking Fund and the Series 2006 Bonds Reserve Account established under the Resolution, and the unexpended proceeds of the Bonds, and the Issuer hereby and in the Resolution pledges such revenues and moneys to such payment. Said Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Resolution. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Series 2006 Bonds Sinking Fund and the Series 2006 Bonds Reserve Account and any unexpended Bond proceeds. Under the Resolution, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to produce revenues net of such operating expenses equal to at least 115% of the amount required to pay the maximum amount due in any 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, including the Series 1983 B Bonds.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to refund the Series 1996 Bonds and pay all costs in connection therewith and costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the registered owners of said Bonds.

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

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of

West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

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

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

IN WITNESS WHEREOF, GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 (West Virginia) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Chairman

ATTEST:

(Manual or Facsimile Signature)
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: _____, _____.

_____,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, _____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

[STATEMENT OF INSURANCE]

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO DATES, AMOUNTS, MATURITIES, INTEREST RATES, REDEMPTION PROVISIONS, PURCHASE PRICE AND OTHER DETAILS AS TO THE SEWER REFUNDING REVENUE BONDS, SERIES 2006 OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, A PREPAYMENT AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, A REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT, AND OTHER INSTRUMENTS RELATING TO THE BONDS; APPOINTING A REGISTRAR, PAYING AGENT, AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE REFUNDING.

WHEREAS, Greenbrier Public Service District No. 1 (the "Issuer"), in the County of Berkeley, State of West Virginia, is a public service district and public corporation of said State, the governing body of which is this public service board (the "Governing Body");

WHEREAS, the Governing Body duly adopted on October 20, 2006, a resolution (the "Resolution") entitled:

A RESOLUTION AUTHORIZING THE REFUNDING OF THE SEWER REFUNDING REVENUE BONDS, SERIES 1996 OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2006, OF THE DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $4,000,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE DISTRICT, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE

RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PREPAYMENT AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Resolution when used herein;

WHEREAS, the Resolution provided for the refunding of the Issuer's Sewer Refunding Revenue Bonds, Series 1996 (the "Series 1996 Bonds"), dated June 15, 1996, issued in the original aggregate principal amount of $4,420,000 and presently outstanding in the approximate principal amount of $3,250,000, for the purposes of paying a portion of the costs of such refunding, funding all or a portion of a reserve account for the Series 2006, and paying costs of issuance thereof, all in accordance with Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Resolution further provided that the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Series 2006 Bonds should be established by Supplemental Parameters Resolution, that a Registrar, Paying Agent and Depository Bank be designated, that a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Prepayment Agreement, a Registrar Agreement and an Official Statement be approved and that other matters pertaining to the Series 2006 A Bonds be provided for by a supplemental parameters resolution of the Governing Body, that additional covenants and provisions relating to the Bonds be provided therein, and as may be required by any Bond Insurer as a condition to insuring such Series 2006 Bonds and that other matters pertaining to the Series 2006 Bonds be provided for by a supplemental parameters resolution of this Board;

WHEREAS, the Series 2006 Bonds are proposed to be purchased by Crews & Associates, Inc. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the Issuer, to be dated the date of execution thereof and in general form attached hereto and incorporated herein by reference (the "Bond Purchase Agreement");

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

WHEREAS, the Governing Body deems it essential and desirable that this Resolution be adopted, that the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Prepayment Agreement and the Registrar Agreement hereinafter provided for be entered into by the Issuer, that the Official Statement relating to the Series 2006 Bonds, hereinafter described, be approved, that the Issuer's Chairman be authorized to enter into the Bond Purchase Agreement within the parameters hereby approved by the Board, and that other matters relating to the Series 2006 Bonds be herein provided for, and that other matters relating to the Bonds be herein provided for all in accordance with the Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF GREENBRIER PUBLIC SERVICE DISTRICT NO. 1:

Section 1. Pursuant to the Resolution and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2006 Bonds. The Series 2006 Bonds shall be issued in the aggregate principal amount not to exceed $4,000,000, bear interest at a rate not to exceed 7%, payable semiannually on April 1 and October 1 of each year, commencing April 1, 2007, shall mature on October 1 in such years, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates (with final maturity no later than October 1, 2046), shall be subject to such redemption provisions, all as shall subsequently be approved by the Chairman; and shall be substantially in the form set forth in the Resolution, provided however, that the specific terms of the Series 2006 Bonds shall be as determined by the Chairman at the time of the execution of the Bond Purchase Agreement and as approved by the Chairman in the Certificate of Determinations attached hereto as EXHIBIT A. All other provisions relating to the Series 2006 Bonds shall be as provided in the Resolution, and the Series 2006 Bonds shall be in substantially the form provided in the Resolution.

Section 2. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Chairman thereof shall be and the same are hereby authorized, approved, and directed. The Chairman is hereby empowered and authorized to execute the Bond Purchase Agreement on behalf of the District at such time as the Chairman shall determine to be most advantageous, provided however, that the net present value savings of the refunding authorized through the execution of the Bond Purchase Agreement shall not be less than 2.5%. The Chairman shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the

Chairman. The execution of the Bond Purchase Agreement by the Chairman shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Series 2006 Bonds, including the payment of all necessary fees and expenses in connection therewith.

Section 3. The Prepayment Agreement by and between the West Virginia Municipal Bond Commission and the Issuer, dated the date of delivery of the Series 2006 Bonds, substantially in the forms submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Chairman thereof shall be and the same are hereby authorized, approved, and directed. The Chairman shall execute and deliver the Prepayment Agreement with such changes, insertions and omissions as may be approved by the Chairman. The execution of the Prepayment Agreement by the Chairman shall be conclusive evidence of any approval required by this Section.

Section 4. The Issuer does hereby approve the transfer of all of the monies from the Series 1996 Bonds Reserve Account, currently in the approximate amount of $372,380.97, held by the West Virginia Municipal Bond Commission, to the Series 1996 Bonds Sinking Fund to provide sufficient funds, in addition to the proceeds of the Series 2006 Bonds, to defease the Series 1996 Bonds.

Section 5. The Continuing Disclosure Agreement from the Issuer, to be dated as of the date of delivery of the Series 2006 Bonds, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Chairman thereof shall be and the same are hereby authorized, approved and directed. The Chairman shall execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be approved by the Chairman. The execution of the Continuing Disclosure Agreement by the Chairman shall be conclusive evidence of any approval required by this Section.

Section 6. The Official Statement, to be substantially in the form attached hereto (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Chairman), and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The Chairman shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved by the Chairman. The execution of the Official Statement by the Chairman shall be conclusive evidence of any approval required by this Section. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Chairman is hereby ratified and approved.

Section 7. The Registrar Agreement by and between the Issuer and the Registrar designated herein, to be dated as of the date of delivery of the Series 2006 Bonds, substantially in the form submitted to this meeting, shall be and the same is hereby approved. The Chairman shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Chairman. The execution of the

Registrar Agreement by the Chairman shall be conclusive evidence of any approval required by this Section.

Section 8. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Series 2006 Bonds.

Section 9. The Issuer does hereby appoint and designate United Bank, Inc., Charleston, West Virginia, for the purpose of serving in the capacity of Registrar and First-Citizens Bank & Trust Company, Lewisburg, West Virginia, as Depository Bank.

Section 10. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission for the purpose of serving in the capacity of Paying Agent.

Section 11. The notice addresses for the Registrar, Paying Agent and Original Purchaser shall be as follows:

REGISTRAR

United Bank, Inc.
500 Virginia Street, East
Charleston, West Virginia 25301
Attention: Corporate Trust Department

PAYING AGENT

West Virginia Municipal Bond Commission
#8 Capitol Street, Suite 500
Charleston, West Virginia 25301
Attention: Chairman

ORIGINAL PURCHASER

Crews & Associates, Inc.
300 Summers Street, Suite 930
Charleston, West Virginia 25301
Attention: Vice President

Section 12. Prior to the execution of the Bond Purchase Agreement, the Chairman shall obtain a certification from the Original Purchaser of the Series 2006 Bonds that the terms of the Bonds agreed to in the Bond Purchase Agreement result in a net savings to the Issuer after deducting all expenses of the refundings. Prior to delivery of the Series 2006 Bonds, the Issuer shall have obtained from Griffith & Associates, or such other independent certified public accountant acceptable to the Chairman, a certification that the amount of savings stated to be achieved by the refunding shall in fact be correct, based upon

their review, comparison and analysis of the total net debt service in dollars of the Series 2006 Bonds and the remaining total net debt service in dollars of the Series 1996 Bonds. The Chairman is hereby authorized and directed to employ Griffith & Associates, Alum Creek, West Virginia, or such other independent certified public accountant satisfactory to Bond Counsel, to supply the certification required herein and to take other actions required in connection with the refunding.

Section 13. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents and certificates, including a tax and arbitrage certificate, required or desirable in connection with the Series 2006 Bond issue to the end that the Series 2006 Bonds may be delivered on a timely basis to the Original Purchaser pursuant to the Bond Purchase Agreement.

Section 14. This Supplemental Parameters Resolution shall be effective immediately.

Adopted this 20th day of October, 2006.

Dan L. Withrow
Chairman

CERTIFICATION

Certified a true, correct and complete copy of a Supplemental Parameters Resolution duly adopted by the Public Service Board of GREENBRIER PUBLIC SERVICE DISTRICT NO. 1 on the 20th day of October, 2006.

Dated this 15th day of November, 2006.

[SEAL]

Doug Warren
Secretary

10/19/06
352810.00001

EXHIBIT A - FORM OF CERTIFICATE OF DETERMINATIONS

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
SEWER REFUNDING REVENUE BONDS,
SERIES 2006

CERTIFICATE OF DETERMINATIONS

The undersigned, _____, Chairman of Greenbrier Public Service District No. 1 (the "Issuer"), in accordance with the Supplemental Parameters Resolution adopted by the Public Service Board of the Issuer on October 20, 2006 (the "Supplemental Parameters Resolution"), with respect to the Issuer's Sewer Refunding Revenue Bonds, Series 2006 (the "Series 2006 Bonds"), hereby finds and determines as follows:

1. The Series 2006 Bonds shall be dated November 1, 2006 and shall bear interest on **April 1 and October 1 of each year commencing April 1, 2007.**

2. The Series 2006 Bonds shall be issued in the aggregate principal amount of $_____, at a true interest cost of _____%. Such interest rates do not exceed 7%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The net present value benefit is _____% of the Series 2006 Bonds principal amount which exceeds the 2.5% required by the Supplemental Parameters Resolution.

3. The Series 2006 Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2006 Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2006 Bonds shall be subject to optional and mandatory redemption as set forth on Schedule 2 attached hereto and incorporated herein.

6. The Series 2006 Bonds shall be sold to Crews & Associates, Incorporated (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, at an aggregate purchase price of $_____ (representing par value less an Underwriter's discount of $_____ and a net original issue premium of $_____), plus interest accrued of $_____ on the Series 2006 Bonds from November 1, 2006 to _____, 2006 (the "Closing Date").

7. Based upon the actual principal amount, maturity schedule and interest rates for the Series 2006 Bonds, attached hereto, it is hereby determined that the Series 2006 Bonds show a net savings to the Issuer after deducting all expenses of the refunding.

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

The undersigned hereby certifies that the foregoing terms and conditions of the Series 2006 Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2006 Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

WITNESS my signature this _____ day of October, 2006.

GREENBRIER PUBLIC SERVICE SEWER
DISTRICT NO. 1

By: _____
Its: Chairman

Schedule 1

Maturity Schedule

SERIES 2006 BOND TERMS

Bond No.	Maturity Date	Principal Amount	Interest Rate	Price or Yield

Schedule 2

Redemption Provisions:

THIS AGREEMENT, made and entered into this 10th day of June, 1986, by and between the CITY OF RONCEVERTE, a municipal corporation of West Virginia, party of the first part, hereinafter referred to as the "City", and GREENBRIER PUBLIC SERVICE DISTRICT NO. 1, a corporation organized and existing under and by virtue of the laws of the State of West Virginia, party of the second part, hereinafter referred to as the "District".

W I T N E S S E T H:

WHEREAS, the City owns and operates a sewage treatment plant facility with a system of interceptors leading therefrom to portions of the City's corporate limits, which said plant and system is capable of treating wastes which may be delivered to the City by the District from without the City's corporate limits; and

WHEREAS, the City is agreeable and willing to obligate inself by contract to accept, transport and treat certain of the sewage and wastes originating in areas outside of the corporate limits of said City; and

WHEREAS, the District desires that the City receive all normal, domestic and commercial wastes originating within the boundaries of the District and to transport the same to, and treat such wastes at the City's sewage treatment plant, to the end that no untreated or improperly treated wastes from the District may be discharged into streams, or elsewhere in the general vicinity of the City and the District; and

WHEREAS, in the judgment of the parties to this contract, the transportation to and the treatment of such wastes, originated with the District, at the sewage treatment plant owned by the City will be to the mutual advantage of the City and the District; and

NOW, THEREFORE, FOR AND IN CONSIDERATION, of the premises and of the covenants and conditions herein contained, the parties hereto do hereby covenant and agree, each with the other, as follows:

1. The District hereby agrees to deliver all of its normal domestic and commercial wastes originating within its boundaries to any installed sewer line therein and thence to an interceptor line installed by the City, with adequate capacity as determined by the City with data and information sufficient to enable the City to evaluate the circumstances and requirements of every flow proposed for delivery to the City at any point. The City shall be obligated to receive the flow from the District in quanities only up to the designed capacity of the City's lines, receiving such flow and transporting the same to the designed capacity of its treatment plant.

2. The City has received grants from governmental agencies to finance a portion of the costs of the construction and installation of the interceptor line, which runs from the District's metering station in Bruce Hollow to the treatment plant. The District has paid, as a connection charge, the difference between the amount received from such grants and the costs of construction and installation of said interceptor line or lines. Such costs have included all engineering fees, legal fees, and any and all other costs necessary and incidental to the construction and installation of said interceptor line, so that the total cost to the City has been paid without any obligation from the general revenues of the City and without any obligation on the part of the citizens of the City of Ronceverte. The City agrees to maintain said interceptor line from the sewage treatment plant to the City's metering station in Bruce Hollow at no cost to the District. The District agrees to maintain said interceptor line from the City's metering station in Bruce Hollow to the District's metering station in Bruce Hollow at no cost to the City.

3. All facilities necessary for the collection of waste within the District and to points of delivery to the City at its metering station in Bruce Hollow, shall be provided and maintainted at the sole cost of the District, and without cost to the City.

4. The City agrees to accept all of the normal domestic and commercial wastes from the area of the District and to transport the same therefrom, through its interceptor lines, to its sewage treatment plant, and to treat all such waste at its treatmsnt plant to the same extent and degree that it shall treat wastes originating within the City, at its treatment plant, and such treatment shall be the exclusive responsibility of the City. All waste treated at the City treatment plant, including waste originating in the District, shall be the property of the City.

5. The District expressly covenants and agrees to adopt, maintain and enforce within the area served by the District certain compulsory ordinances, no less regulatory or restrictive than ordinances effective within the City, regulating, limiting, or prohibiting the introduction into the sewer distribution or collector lines in said District, of excluded or objectionable substances, matter or materials, either as to quality or quanity thereof.

6. In addition to the normal domestic and commercial wastes accepted by the City from the District, through its interceptor lines, to its sewage treatment plant, the City agrees to accept certain industrial wastes, so long as such industrial wastes are liquid wastes, other than normal sewage, resulting from

processes or operations employed in industrial or manufacturing establishments, and so long as the quanity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five days at 20* C., does not exceed one thousand parts per million. It is expressly understood that the District shall be obligated to pay to the City such amount or amounts as may be necessary and sufficient to cover the additional expenses of handling such industrial wastes, beyond the base rate costs for normal sewage, as hereinafter provided.

7. The District agrees to pay to the City any fines or penalties assessed against the City regarding illegal discharges, if it can be determined that such discharges originated from a point within the District's collection system, with said fines or penalties not being figured as a cost in determining the operational cost of the sewer treatment plant for the City's billing purposes to the District.

8. The City agrees that any fines or penalties assessed against the City regarding illegal discharges will be paid by the City, if it can be determined that such discharges originated from a point within the City's collection system, with said fines or penalties not being figured as a cost in determining the operational cost of the sewer treatment plant for the City's billing purposes to the District.

9. The District agrees to pay to the City for its handling and treatment of all sewage and wastes, originating within the District, a sum to be determined by the following formula:

The annual operating expenses of the existing sewage treatment plant, including labor, materials, supplies, depreciation, all other operational expenses, accounting and other administrative expenses attributable to the sewage treatment plant, excluding debt service, divided by the total annual sewage flow in millions of gallons of all sewage or waste as recorded by the City's sewage treatment plant, which amount shall give the cost per million gallons of flow. The flow from the District shall be measured at its point of introduction into the City's metering station building in Bruce Hollow. The City agrees to bill the District based on the District's flow on a monthly basis, and the District agrees to pay to the City on a monthly basis the costs as determined by the above stated formula, with the exception of the depreciation costs. The District will maintain its own Renewal and Replacement Account for the handling of depreciation costs.

10. The City's billings to the District will be an estimated cost based on the prior fiscal years cost. At the end of each fiscal year the City will determine the actual cost to operate the sewage treatment plant, and, if necessary, the City will bill the District for the difference between the actual cost and the estimated costs that have been previously billed to the District, or, if necessary, the City will issue a credit memorandum to the District for the difference between the actual cost and the estimated costs that have been previously billed to the District.

11. The District agrees to pay to the City for its share of capital expenditures for the existing sewage treatment plant based on the District's percentage of usage, according to total plant flow, for the prior fiscal year. At the end of each fiscal year the City will determine the actual District percentage of usage for the fiscal year, according to total plant flow, and the proper billing adjustment or credit adjustment will be made, whereby the District will be paying for its share of capital expenditures for the existing sewage treatment plant, based on the District's percentage of usage, according to total plant flow, for the fiscal year in which the capital expenditures were made. The City agrees to inform the District in regards to the necessity of making each capital expenditure before arrangements are made for making such expenditure.

12. The District agrees to pay to the City, when billed, for all costs relating to the operation of the City's metering station located in Bruce Hollow, including capital expenditures. The City agrees to inform the District in regards to the necessity of making each capital expenditure for said metering station before arrangements are made for making such expenditure. The City assures the District that City sewer treatment plant personnel will cooperate fully with the District in the operation of said metering station and in checking said metering station for accuracy.

13. The City does hereby agree that the sewer treatment plant will be operated as a separate and distinct operation from all other departments of the City, and that sewer treatment plant equipment and vehicles will be used exclusively in the operation of the sewer treatment plant, with an exception being in the case of an emergency. In the case of an emergency and other City departments use subject equipment or vehicles, the City agrees that proper accounting measures will be taken that the sewer treatment plant is not charged for subject emergency usage.

14. The City agrees that the District or representatives of the District, not only have the right, but will be welcome to visit the sewer treatment plant at any time during employee operational hours to observe the operation of the sewer treatment plant and to make suggestions in regards to said operation. The City assures the District that City sewer treatment plant personnel will cooperate fully with the District in regards to the operation of the sewer treatment plant.

15. The City does hereby agree to maintain its books and records in such a manner as to provide separate accounting for the costs of operating the sewage treatment plant and the City's Bruce Hollow metering station, with all subject invoices being filed in the order in which they are paid in order to facilitate auditing of said books and records. The City further agrees to maintain its books and records regarding the total amount of sewage and waste treated at the sewer treatment plant and regarding the total amount of sewage and waste entering the City's Bruce Hollow metering station. The City further agrees to permit the District or representatives of the District to check, examine, or audit subject books and records at any time during business hours.

16. This agreement has been drafted in accordance with that certain agreement between the City and the District dated June 10, 1974 and approved, subject to certain modifications set out in subsequent agreements between the City and the District dated February 1, 1975 and September 30, 1977.

17. It is mutually understood and agreed that this agreement shall continue in full force and effect for as may years as may be necessary to retire any and all bonds issued by the District, or by the City for its sewer treatment plant, and for bonds issued for the construction and maintenance of lines by the District, or until it is mutually understood and agreed by both parties that changes or modifications need to be made in said agreement.

IN WITNESS WHEREOF, the parties hereto have each signed their names and affixed their seals thereto, as of the day and year first above written:

CITY OF RONCEVERTE,
a West Virginia Municipal Corporation

By C. Fred Workman
Its Mayor

Attest: Keith E. Brown
City Mgr. & Recording Officer

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
a West Virginia Corporation

By Raymond B. Feazell
Chairman

Attest: Paul K. Legg
Secretary

ORIGINAL

ENTERED
O.R. 87-C Page

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: June 29, 1987

CASE NO. 87-150-S-PC

GREENBRIER PUBLIC SERVICE DISTRICT NO. 1
and CITY OF RONCEVERTE
Request for approval of agreement
for treatment of sewage.

FINAL ORDER

On March 16, 1987, Greenbrier Public Service District No. 1 (District) and the City of Ronceverte (City or Ronceverte) filed an Agreement with the Public Service Commission calling for the treatment of the District's sewage by the City. Among other things, the Agreement between the City and the District sets out the various obligations and responsibilities of the two parties to the Agreement and sets forth the method of reimbursement by the District to the City for sewage treatment services. The Agreement further states that it has been drafted in accordance with the Agreement between the City and the District dated June 10, 1974 and approved, subject to certain modifications set out in subsequent Agreements between the City and the District dated February 1, 1975, and September 30, 1977.

On June 16, 1987, Staff Attorney Robert M. Adkins submitted the Joint Staff Memorandum in this proceeding. According to Mr. Adkins, a field investigation was performed by Commission Staff regarding the contract and the contract was discussed with all parties involved. Mr. Adkins indicated that Commission Staff has some concern that basing the expense allocation on the annual sewage flow may not be totally accurate and Staff is therefore recommending some changes to the contract which provide that the allocation of the District's sewer treatment expenses will be based on an

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

annual audit instead of allocating the District's share according to a formula based on expenses divided by annual flow. The Staff recommendation was set out in more detail in the Internal Memorandum filed by Utilities Analyst Carolyn Milam, attached to the Joint Staff Memorandum.

According to Utilities Analyst Milam, the City has provided sewage treatment services to the District since 1974. The contract under review was entered into on July 1, 1986, and no change in the scope of service is provided by the new contract. Staff has recommended that Section 9 of the contract be changed to read as follows:

> The District agrees to pay to the City for its handling and treatment of all sewage and wastes, originating within the District, a sum to be determined as follows:
>
> The annual operating expenses of the system including labor, materials, supplies, other operational expenses, accounting and other administrative expenses attributable to the sewage treatment plant and depreciation expense will be audited annually by an independent certified public accountant. The District's proper share of expenses will be allocated at that time and the rates per thousand gallons charged to the District will be adjusted as detailed in Section 10 of this contract. The City agrees to bill the District based on the District's flow on a monthly basis and the District agrees to pay the City on a monthly basis as determined above with the exception of depreciation costs. The flow from the District shall be measured at its point of introduction into the City's metering station building in Bruce Hollow. The District will maintain its own Renewal and Replacement account for reimbursement of capital expenditures as detailed in Sections 11 and 12 of this contract.

Ms. Milam indicated that the City incurred no costs for system improvements made in order to serve the District and that the major portion of the cost of construction of the interceptor line, which runs from the District's metering station to the treatment plant, and improvements to increase the treatment plant capacity were paid with grant funds from governmental agencies, with remaining costs paid by the District. The District is presently maintaining a Renewal and Replacement Fund and proposes to reimburse the City for its share of renewal and replacement costs from that

Fund and Ms. Milam indicated that both parties desire that the cost of capital improvements be handled in that manner.

Commission Staff is also recommending the inclusion of two additional statements in two sections of the contract. Staff is recommending that the following statement be included in Section 11 of the contract:

> All expenditures for capital improvements will be audited annually. The City will bill the District for any differences between the actual costs and actual reimbursements made by the District or, if necessary, the City will issue a credit memorandum to the District for the difference.

Commission Staff is also recommending that the following statement be included in Section 12 of the contract:

> All costs relating to the operation of the City's metering station located in Bruce Hollow, including capital expenditures, will be audited annually. The City will bill the District for any differences between the actual costs and actual reimbursements made by the District or, if necessary, the City will issue a credit memorandum to the District for the difference.

Commission Staff is recommending that the contract be approved with the three changes noted in the Memorandum filed by Carolyn Milam dated May 7, 1987.

The Staff recommendations, as set forth in the Joint Staff Memorandum and the Internal Memorandum attached thereto, were served upon Greenbrier Public Service District No. 1 and the City of Ronceverte by letter dated June 16, 1987, from Howard M. Cunningham, Executive Secretary of the Public Service Commission. Neither Greenbrier Public Service District No. 1 nor the City of Ronceverte has filed any response to the Staff recommendations. Therefore, the Administrative Law Judge (ALJ) must assume that neither party has any objection to the Staff revisions to the contract filed on March 16, 1987 between Greenbrier Public Service District No. 1 and the City of Ronceverte.

Upon consideration of all of the above, the ALJ is of the opinion that the contract filed on March 16, 1987, should be approved, with the revisions recommended by Commission Staff in the Joint Staff Memorandum filed on June 16, 1987, incorporating the recommendations set forth in the Internal Memorandum from Carolyn Milam to Robert Adkins dated May 7, 1987.

FINDINGS OF FACT

1. Commission Staff has reviewed the contract for the treatment of sewage filed on March 16, 1987, by Greenbrier Public Service District No. 1 and the City of Ronceverte and recommends approval thereof, with certain revisions. (Joint Staff Memorandum filed June 16, 1987).

2. The Staff recommendations were served upon Greenbrier Public Service District No. 1 and the City of Ronceverte and neither party has filed any response to the various Staff recommendations regarding the contract filed on March 16, 1987. (See, Letter dated June 16, 1987, from Howard M. Cunningham to Greenbrier Public Service District No. 1 and the City of Ronceverte).

CONCLUSIONS OF LAW

1. It is reasonable to assume that neither Greenbrier Public Service District No. 1 nor the City of Ronceverte has any objection to the Staff revisions to the contract filed by the two parties on March 16, 1987, since neither party filed any response or objection to the Staff recommendations.

2. It is reasonable to approve the contract between Greenbrier Public Service District No. 1 and the City of Ronceverte for the treatment of sewage filed on March 16, 1987, as amended to incorporate the revisions recommended by Commission Staff.

ORDER

IT IS, THEREFORE, ORDERED that Greenbrier Public Service District No. 1 and the City of Ronceverte refile the Agreement between them for the treatment of the District's sewage by the City of Ronceverte, incorporating the three Staff revisions set forth in the Internal Memorandum from Utilities Analyst Carolyn Milam to Staff Attorney Robert Adkins, and discussed previously in this Order, within fifteen (15) days from the date of this Order.

IT IS FURTHER ORDERED that the Agreement filed on March 16, 1987, between Greenbrier Public Service District No. 1 and the City of Ronceverte, providing for the treatment of the District's sewage by the City of Ronceverte be, and it hereby is, approved, as revised herein, for all sewage treatment service rendered by the City of Ronceverte to Greenbrier Public Service District No. 1 on and after the date of this Order.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Order upon all parties to this proceeding by United States First Class Mail and upon Commission Staff by hand delivery.

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

Leave is hereby granted to the parties to file a petition for further hearing, reopening, or rehearing pursuant to Rule 19 of the Commission's Rules of Practice and Procedure with the Executive Secretary of the Commission within ten (10) days after the date this order is mailed.

Melissa K. Marland

Melissa K. Marland
Deputy Chief Administrative Law Judge

MKM:jas

JACKSONKELLY
ATTORNEYS AT LAW PLLC

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October 18, 2013

Greenbrier Public Service District No. 1
Ronceverte, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Re: Greenbrier Public Service District No. 1
Sewerage System Design Revenue Bonds, Series 2013 A
(West Virginia Water Development Authority)

Ladies and Gentlemen:

We have served as bond counsel to Greenbrier Public Service District No. 1 (the "Issuer") in connection with the issuance of its Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia Water Development Authority), dated the date hereof (the "Bonds").

We have examined certified copies of proceedings and other papers relating to the authorization of (i) a loan agreement for the Bonds, dated October 18, 2013, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), and (ii) the Bonds to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are issued in the principal amount of $270,156, in the form of one bond, registered as to principal only to the Authority, and interest shall commence on the date of closing on the amounts advanced and outstanding, payable quarterly on January 1, April 1, July 1 and October 1 of each year in arrears at the rate of 3.0% per annum, with the first payment due on January 1, 2014. Commencing January 1, 2016, interest accrues at the rate of 3.0% per annum, payable quarterly and the principal shall be payable quarterly, with all principal and interest being due and payable January 1, April 1, July 1 and October 1 commencing January 1, 2016, to and including October 1, 2033, all as set forth in the Schedule Y attached to the Loan Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 16, Article 13A and Chapter 22C, Article 1 of the Code of West Virginia, 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of the design of certain

improvements and extensions to the existing public sewer facilities of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

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

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

1. The Issuer is a duly created and validly existing public service district and is a public corporation and political subdivision of the State of West Virginia, with full power and authority to undertake the Project, to operate and maintain the System, to adopt the Resolution and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

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

3. The Loan Agreement inures to the benefit of the Authority and cannot be amended so as to affect adversely the rights of the Authority or diminish the obligations of the Issuer, without the written consent of the Authority.

4. The Issuer has legally and effectively adopted the Resolution and all other necessary resolutions in connection with the issuance and sale of the Bonds. The Resolution constitutes a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms thereof and contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System and secured by a first lien on and a pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Prior Bonds, all in accordance with the terms of the Bonds and the Resolution.

6. Under the Act, the Bonds and the interest, if any, thereon are exempt from taxation by the State of West Virginia and the other taxing bodies of the State.

7. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from the gross income of the owners thereof for federal income tax purposes. We express no opinion regarding the excludability of such interest from the gross income of the owners thereof for federal income tax purposes or other federal tax consequences arising with respect to the Bonds.

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

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

Very truly yours,

Jackson Kelly PLLC

STEVE HUNTER
ASSOCIATES, l.c.
ATTORNEYS AT LAW

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October 18, 2013

Greenbrier Public Service District No. 1
Ronceverte, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Jackson Kelly PLLC
Charleston, West Virginia

Re: Greenbrier Public Service District No. 1
Sewerage System Design Revenue Bonds, Series 2013 A
(West Virginia Water Development Authority)

Ladies and Gentlemen:

I am counsel to Greenbrier Public Service District No. 1 (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Jackson Kelly PLLC, as bond counsel, relating to the above-captioned bonds of the Issuer (the "Bonds"), a loan agreement for the Bonds, dated October 18, 2013, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), a Bond Resolution duly adopted by the Public Service Board of the Issuer (the "Board") on October 10, 2013, as supplemented by a Supplemental Resolution duly adopted on October 10, 2013 (collectively, the "Resolution"), orders of The County Commission of Greenbrier County relating to the Issuer and the appointment of members of the Board, and other documents relating to the Bonds and the Issuer. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Loan Agreement and the Resolution when used herein.

I am of the opinion that:

1. The Issuer is a duly created and validly existing public service district and is a public corporation and political subdivision of the State of West Virginia, with full power and authority to undertake the Project, to operate and maintain the System and to adopt the Resolution, all under the Act and other applicable provisions of law.

2. The members and officers of the Board have been duly and properly appointed and elected, have taken the requisite oaths and are thereby authorized to act on behalf of the Issuer in their respective capacities.

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

4. The Resolution has been duly adopted by the Board and is in full force and effect.

5. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Resolution, and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any resolution, agreement or other instrument to which the Issuer is a party or any existing law, regulation, court order or consent decree to which the Issuer is subject.

6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates, registrations and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the undertaking of the Project, the operation of the System and the imposition of rates and charges for the use of the System, including, without limitation, all requisite permits, approvals, orders and certificates from The County Commission of Greenbrier County, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia (the "PSC"). The Issuer has taken all actions required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. The Issuer has received the PSC Order entered on August 21, 2013, in Case No. 13-0754-PSD-PC, approving the financing for the Project. The Order remains in full force and effect.

7. To the best of my knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Loan Agreement, the Bonds and the Resolution, the undertaking of the Project, the operation of the System, the validity of the Bonds, the collection of the Gross Revenues or the pledge of the Net Revenues for the payment of the Bonds.

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

Very truly yours,

J. Steven Hunter
WVSB1826